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ALFONSIN PROMISES ANTI-INFLATION CAMPAIGN

PY192010 Buenos Aires BUENOS AIRES HERALD in English 19 Aug 84 p 1

[Excerpt] Parana (NA-DYN) -- President Raul Alfonsin admitted yesterday his government had fallen short of its target to overcome inflation but announced a new campaign would be launched next month which would demand a joint effort by all but not a sacrifice. "We have a hard problem which is inflation, and we don't hesitate to say we did not have the success we hoped for in combating this unjust tax on society," the president said. "But in September we will start with a new prescription and go all out against inflation...We will ask the people for an important effort which will not mean a sacrifice, but which will mean burying speculation among all of us," he added.

The president, who arrived here in the morning and in the afternoon flew to Rosario, spoke from the balcony of the provincial Government House before some 10,000 supporters who frequently interrupted his speech to cheer and applaud him. Alfonsin earlier inaugurated a gear wheel factory and presided over the delivery of 29 ambulances donated by local businessmen to provincial hospitals. "There will be some who will be opposed to this general effort because it is they who profit from speculation, but things won't go well with them," Alfonsin said.

The head of state also announced an end to abrupt huge increases in public utility rates which he described as tarifazos [huge tax increases]. He said the increases had been necessary to avoid a "worse collapse."

The president said his government was working to defend the economy and national dignity in negotiating the refinancing of the foreign debt and expressed confidence and negotiations would be crowned with success. "We will not accept recessive policies which decrease wages; on the contrary the objective is to increase real wages," he said.

Alfonsin said his government had cut down unemployment by creating 150,000 jobs in the private sector and had considerably cut back public spending and monetary expansion in its bid to overcome inflation.

The president also attended ceremonies marking the centenary of Argentina's first kindergarten and praised the work of U.S. teachers brought out by President Domingo Faustino Sarmiento to found it and similar institutes.

Before attending a luncheon in his honour hosted by Radical leaders and legislators, the president told newsmen he was very concerned about drug trafficking in Latin America but discounted rumours drugs were being widely used by terrorist groups in an attempt to destabilize democratic governments in the area. He said during his recent trip to Ecuador he talked on the subject with U.S. Vice President George Bush "as they are equally concerned about drugs because the subject transcends political problems."

UCR WORKING PAPER VIEWS BEAGLE SETTLEMENT

PY171358 Buenos Aires LA NACION in Spanish 14 Aug 84 pp 1, 6

[Text] A working paper of the Radical Civic Union (UCR) that is being used at the official level, which LA NACION has had access to, hints that "the agreement that Argentina and Chile will sign in the next few weeks is an improvement on the pope's proposal of 1980 and that it grants our country sovereignty over a sea zone of joint and concerted activities."

It has been unofficially reported that the agreement with Chile will be signed "on Wednesday or Thursday of this week" and that its terms will not differ from those of the UCR working paper. According to the document, "the 118,000 square km that cover the zone of joint and concerted activities, which drove our country and Chile to the brink of a permanent dispute, will be changed in the final agreement to 12,000 square km under Chilean jurisdiction and the rest fully under Argentine sovereignty."

The abundance of historical and current information contained in the UCR document makes it very probable that it will be used for the propaganda campaign that the UCR will launch once the agreement is signed. LA NACION was told tonight that "the signing of the agreement is so close that in a few more days the whole city will be plastered with posters referring to the issue." The UCR working paper rules out the possibility of delaying the final solution to the dispute, and asks the following question: "Wouldn't it be fair to wonder whether Pinochet, in the future, pressured by the Chilean people's desire for freedom and justice, might not try to take the Beagle by assault as Galtieri did with the Malvinas in 1982?"

The document says that "the proposal of Pope John Paul II draws a line encircling the three islands in dispute and all those south toward Cape Horn. Starting from this line, Chile will have a 6-mile strip of sovereign territorial waters, a 12-mile strip for exclusive economic exploitation, and the rest up to 200 miles will remain a zone of joint and concerted activities for Chile and Argentina under Argentine sovereignty to which Chile will have perpetual right of passage."

According to the document, the agreement that the two nations will sign in the "next few weeks" improves on the proposal that the pope submitted in 1980 and grants Argentina "sovereignty of the sea encompassed by the above-mentioned zone of joint and concerted activities." It adds that "thus the 118,000 square km of this zone within which we are compelled to share economic, scientific, and environmental defense activities, which drove our country and Chile to the brink of a permanent dispute, will be changed in the final agreement to 12,000 km under Chilean jurisdiction and the rest fully under Argentine sovereignty."

The working paper also mentions the bioceanic principle about which it states that "it will be maintained from Cape Horn south, will be explicitly acknowledged in a treaty, and Argentina will have the right free passage in Chilean waters."

It is also stated that our country will also have a sizable corridor "which will allow it to sail through its own waters to the Antarctic." Therefore, "our claims over the white continent will not be affected and we will be in a better position -- once the agreement is signed -- to carry out an ambitious cooperation program in the region."

The document also says that obviously Argentina can reject the papal mediation and not sign the agreement, but at the same time the document recalls that if this decision is made, "Chile would resort to The Hague international court as previously established by the two countries in the Montevideo agreement." The working paper then emphasized that in view of this possibility, "we should bear in mind that the five judges Queen Elizabeth II appointed to the arbitration court which ruled against Argentina in 1977 were also members if The Hague international court. Therefore, the advantages obtained through the pope's mediation would be lost forever."

The UCR document also points out that "the ruling of the court, in the view of the UN Charter, which is a national law, would be compulsory and mandatory. It is worth pointing out that there is not a single case of a nation involved in an arbitration before this court having refused to abide by its ruling.

In relation to the same point, the document states: "However, assuming that Argentina rejects the arbitration, Chile would then take the case to the UN Security Council, which would apply to our country some or all the sanctions in Chapter 7 of the Charter, Articles 25, 34, 93, and 94. Therefore, to reject the agreement would take us to a dead-end with its foreseeable consequences."

The people who worked on this document, which is published today, also prepared a summary of events to strengthen the idea that it is convenient for the country to accept the papal proposal. The summary says: "The 1881 treaty grants the islands to Chile; the 1977 arbitration awards the islands and the sea to Chile; the papal proposal grants the islands to Chile while the sea is to be shared by both countries; the final agreement grants the islands to Chile and the sea to Argentina."

The working paper concludes with several "final reflections," indicating first of all that the Beagle zone -- potentially rich in oil, krill, minerals, and drinking water resources -- in addition to being an important transit route between the Atlantic and the Pacific, "has awakened great interest in the world's great powers."

It says: "Peace with Chile is absolutely necessary to prevent disequilibrium and to tranquilize an area in which the great powers are interested. Peace will lead to a joint strategy to obtain the necessary means to explore and exploit this area of great resources."

Referring to the great powers' intention to internationalize the Antarctic, the party document points out that they "will put into operation all the means they have available to take advantage of the Antarctic's natural resources, means that in the case of our country and Chile can only be obtained through the coordination and unification of resources and efforts."

The working paper goes on to say that "the other possibility is war." It then asks what would happen if war breaks out. "Haven't we learned anything from the Malvinas war? Aren't we seeing the world surrounding us and the consequences of war?"

The document adds: "A war over the islands would quickly lead to the internationalization of the conflict, to the intervention of the great powers, and the Argentine and Chilean peoples would only serve as cannon fodder in actions that would not even be decided in Buenos Aires or Santiago. We would witness an East-West conflict of unpredictable consequences."

Regarding the support that our country would obtain in the case of a war with Chile, the document predicts that "international opinion would react very differently from the reaction during the war against Great Britain. The Nonaligned Movement would declare itself neutral. The superpowers would try to take advantage of the situation by supporting one or the other countries at war. This situation would give Chile a noticeable advantage, such as the 1977 arbitration award unfavorable to us and another possible unfavorable ruling by The Hague International Court if Chile resorts to it in case Argentina rejects the papal mediation, in addition to the UN Security Council supporting the court's ruling."

"Other fellow countrymen feel that the agreement must be delayed and that we must wait for the establishment of democracy in Chile. First of all, this would force our country to maintain a 'hot' zone in our country and would prevent us from achieving an overall agreement with Chile for the economic exploitation of the Beagle, Antarctic, and Andean regions. It would also force us to make substantial military expenditures with the consequent reductions in the budget for education, health, and housing."

The "assessment" continues that it is the general feeling that "a war in the region is one of the fears of our President Alfonsin and that the South Atlantic could be turned into an ocean like the Indian Ocean, where the presence of fleets and troops of the great powers affects and reduces the sovereignty of the coastal countries. A war, then, or a postponement of the agreement, would enganger the sovereign Argentine presence in the area and would prevent any possibility of integration among brotherly countries and the structuring of a common front against the menancing increase in hegemonic power of some northern countries."

The document states that "Pinochet's government has developed the negotiations on the Beagle while creating on the domestic front an expectation on the agreement much greater than what it will really achieve, which places the Chilean dictator in an extremely uncomfortable position to explain the scope of the treaty."

"The Chilean democratic forces and the church expressed themselves in favor of peace when we were on the brink of war in 1978. This shows that our brethren are interested in the final resolution of this conflict. Recently, the Chilean democratic opposition stressed its support of signing a peace treaty within the papal mediation," the document adds.

The text continues with a new question: "Isn't it just to ask whether tomorrow Pinochet, surrounded and besieged by the demands for freedom and justice of the Chilean people, will not try a Malvinas-type operation in the Beagle, as Galtieri did in the Malvinas Islands in 1982?"

"What does peace involve and which of us wants war? Peace implies the reaffirmation of public and individual liberties, it allows nations to progress in their development, and it allows greater understanding among peoples. All societies struggling for the respect of human rights, which are essential to all civilized nations, want peace."

It then states that "war, on the contrary, represents destruction and, in the current world conditions, destroys entire populations at the detriment of others. War causes hatred and rancor between peoples that precludes cooperation and the necessary unity to continued progress."

It also wonders: "How would the international community react to an Argentine rebellion? Could we continue regarding ourselves as a state that respects the law? On what grounds could we demand that the United Kingdom comply with the UN resolution on the Malvinas? Who, in the future, would dare sign an international agreement with the Argentine Republic?"

The text of the document then states that the only answer to the above-mentioned questions is "that peace is the only viable path for us and our brethren."

"Taking these realities into account, our President Alfonsin, moved by a great democratic spirit and respecting the basic norms established by the nation's Constitution, has announced a popular consultation which, as we are well aware, by no means diminishes the executive and legislative branches' powers to sign treaties. The popular consultation will allow the people of our nation to voice their opinion on a subject that represents the vital interest of the fatherland and that will affect this and future generations."

The document ends by recalling Jose de San Martin and Bernardo O'Higgins: "They sealed the Argentine and Chilean independence and liberation with an embrace. Let us seal the future of our nations with peace, as our forefathers did."

MILITARY ACADEMIES TO BEGIN CLOSING

PY172045 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2030 GMT 15 Aug 84

[Text] Buenos Aires, 15 Aug (NA) -- Word has been leaked from military sources today that the military academies of the three branches of the Armed Forces will suspend admissions beginning next year as the first step of a process that will reportedly culminate with their closure. The closure of the military academies has reportedly been recommended by a commission that analyzed their operations in an 8-month study, a task that was carried out by officials of the Defense Ministry and members of the Army, the Navy, and the Air Force. This commission began operating this year and determined that the military academies are no longer playing the role they were created for, that is, to train reserve officers in case of war.

According to the conclusions of the commission, the training of officers for a modern war cannot be performed by the military academies, where high school courses are also taught, given the number of modern technological matters that the military has to handle.

According to the leaks, admissions to the military academies will be suspended next year and only the courses of those who started their high school education there would be continued, because the problem is that these are academies where a tuition is being paid and where there is an entry contract that states that when the students complete their studies they also finish their military service. If it is not possible for the students to complete their studies, there could then be the problems of facing lawsuits or the payment of compensations by the state for breach of contract.

A news report stated today that the Navy academies will reportedly be closed and that, in that connection, the director of the one operating in Necochea has reportedly met with the parents of the students and reportedly relayed to them the news. Navy sources have confirmed that this report is correct and that the Navy colleges will start to reject applications for entry beginning in 1985.

Army academies currently operate in Buenos Aires, Santa Fe, Cordova, Mendoza, Comodoro Rivadavia, and Tucuman; an Air Force academy operates in Funes (near the city of Rosario); and Navy academies operate in Rio Santiago, Necochea, Salta (for women), and Misiones. Reports datelined Bahia Blanca today stated that the director of the Navy academy in Necochea has informed the parents of the students and the teachers of the Navy's decision to close the academies due to a lack of budget allocations. According to the abovementioned reports, Garcia [not further identified] stated that the academy he runs will not admit new applicants beginning in 1985 in compliance with an order issued by the Navy staff. A similar measure has also reportedly been taken at the Rio Santiago academy from which 37 classes have graduated.

TUCUMAN GOVERNOR DISMISSES 'CONTROVERSIAL' OFFICIALS

PY190140 Buenos Aires DYN in Spanish 1120 GMT 18 Aug 84

[Text] San Miguel de Tucuman, 18 Aug (DYN) -- Tucuman Governor Fernando Riera has dismissed the controversial officals who unleashed the recent police crisis by accepting their resignations, which were submitted along with all cabinet ministers by the minister and secretary of government and the Tucuman police chief and deputy chief.

Riera yesterday announced that he had accepted the resignations submitted by Ministers of Government Arturo Gimenez Montilla, Secretary General of Government Ricardo San Juan, Police Chief Ju :o Albarracin, and Deputy Police Chief Roberto Nadal. Riera apparently intends to confirm in their posts all the other officials who tendered their resignations last week, which allowed him to reorganize his cabinet.

The actions by all these officials was harshly criticized by policemen who revolted 2 weeks ago and occupied the police headquarters for 9 days. Their action prompted the government to deploy federal security forces in Tucuman, but these forces did not ultimately intervene because the conflict was finally resolved.

Governor Riera made this announcement after a soccer match in Tucuman between the Union Simoca and Boca Juniors teams, but he declined to elaborate on the resignations submitted by the remaining government officials.

It was reported later that Riera has held several meetings with Justicialist provincial legislators and with National Senator Oligela Riva.

CGT PROPOSES PAY BONUS; STRIKES REPORTED

PY181744 Buenos Aires BUENOS AIRES HERALD in English 17 Aug 84 p 1

[Text] (NA-DYN) -- The unified General Confederation of Labour (CGT) yesterday proposed the government grant a one-time $a2,500 pay bonus in August for persons making less than $a16,000 and virtually gave up in its minimum wage and collective contract floor demands for this month.

Labour Minister Juan Manuel Casella said the proposal "is one possibility" in reaching an agreement with the CGT but warned that excessive pay hikes might "turn into a way of recycling inflation." Responding to reports that the CGT will stage a public rally next Thursday unless its porposal if accepted, Casella warned: "We all know that strikes and rallies don't solve problems, instead they make them worse."

CGT leaders met yesterday with Casella and Economy Minister Bernardo Grinspun for the second straight day to discuss August wages. A government response to the CGT proposal is expected on Monday.

Ubaldini said he was "optimistic" a wage agreement would be worked out and admitted it was unlikely that the government would raise the announced August minimum wage and collective contract floor -- $a10,500 and $a13,000 -- to meet earlier CGT demands of $a13,000 and $a16,000.

In a statement issued last night, the CGT deplored what it said was the "well orchestrated...psychological campaign" being waged to convince the public that "the workers who are fighting for a decent wage are to blame for inflation." The CGT said inflation is the result of "pessimistic expectations arising from the lack of a serious economic plan" and called on the government to draft a programme with the help of all sectors.

Meanwhile, new protests by construction, power and State Gas company workers were added to the ongoing strikes by Buenos Aires unviersity personnel, social insurance fund clerks, and computer technicians who process retirement benefits and the football pools (PRODE) at the social action ministry.

Some 1,000 construction workers marched on the labour ministry and Government House yesterday morning to demand Juan Alejo Faris be given back his post as administrator of the federal capital branch of the national union (UOCRA). The ministry last week replaced Faris as head of the branch with a committee made up of various internal groupings.

Around 2,000 power company (SGBA) employees marched on the labour ministry yesterday afternoon, this time to demand pay hikes, while State Gas company workers started four-hour stoppages which are to be repeated today.

The Federation of University Employees (FATUN) has joined the indefinite strike called by Buenos Aires university staff last week in defiance of local union leaders by announcing 72-hour walk-outs every seven days as of next Wednesday.

The threat of a rail strike next Thursday was played down by train drivers' union leader Luis Etchezar. The Radical Unionist said yesterday an agreement with the social action ministry was near and that any wild-cat strike "would not be the responsibility of the union but a mistake" on the part of union rebels.

Airline, Power Strikes

PY192000 Buenos Aires BUENOS AIRES HERALD in English 19 Aug 84 p 17

[Text] (NA) -- Aerolineas Argentinas and Austral airline services were back to normal yesterday following a 24-hour strike by their pilots which grounded all planes and left more than 5,000 people stranded at Ezeiza and Jorge Newbery airports. But Airline Pilots' Association (APLA) President Roberto Arostegui warned another strike might be staged next weekend if the pilots' wage claims are not met by then.

On another front light and power workers' union leaders are to meet on Wednesday to discuss industrial action to press demands for wage adjustments they say were promised in April. They are also demanding the reinstatement of workers fired during the former military regime and repeal of a military law which modified provisions of their collective wage agreement.

BRIEFS

GRAIN SHIP FOR POLAND -- The Argentine Alianza shipyards has delivered the second large-tonnage grain ship to the Polish Polska Zeguiga Morska Company. In 1980, an agreement was signed whereby Argentina is to deliver a total of six grain ships to Poland between this year and next. These ships have a highly sophisticated automatic engine control system and the most modern equipment for navigation and maneuvering, and they fulfill the requirements of the Norske Veritas Shipping Association. The contract provides for the delivery of two more 60,000 gross tonage ships as of the end of 1985. The ship that has been delivered to Poland has a gross tonnage of 27,000 tons, grain holds with a capacity of 32,000 cubic meters, a 14-knot cruising speed, and a 10,000-mile range. [Summary] [Buenos Aires LA PRENSA in Spanish 3 Aug 84 p 2 PY]

DOMESTIC SATELLITE PLANS -- Buenos Aires, 2 Aug (TELAM) -- The Communications Secretariat today announced that studies for the setting up of a multipurpose domestic telecommunications satellite will be concluded in 11 months. The ground equipment will be totally manufactured domestically with the assistance of specialized FRG and French organizations. [Text] [Buenos Aires TELAM in Spanish 1623 GMT 2 Aug 84 PY]

GOVERNMENT CREATES DUAL EXCHANGE RATE MARKET

PY171146 Paris AFP in Spanish 0404 GMT 17 Aug 84

[Text] La Paz, 16 Aug (AFP) -- By imposing a 150-percent devaluation of the peso, the Siles Zuazo government today created a dual exchange market in order to offset the spectacular climb in the price of the dollar on the black market, where a dollar sells for 7,000 pesos. The official market now has dollars priced at 2,000 and 5,000 pesos. At the same time, the government has decided to issue both gold and dollar savings bonuses and to open a stock exchange. Since early yesterday morning, Bolivia has had a foreign exchange rate of 2,000 pesos per dollar for essential transactions in the productive sector and of 5,000 pesos per dollar for nonessential transactions.

Decrees Promulgated

PY171712 La Paz Radio Panamericana in Spanish 1130 GMT 17 Aug 84

[Text] We are going to read the most important decrees that the government promulgated yesterday.

Decree 20422, regarding the efficient use of the nation's foreign exchange, resolves:

Article 1. There will be two areas for the apportionment of foreign exchange: an essential area and a complementary area. The essential area comprises the production of primary products for mass consumption, particularly rural products; pharmaceuticals products included in the basic medicines list and hygiene products; construction materials for popular housing or the social infrastructure; medical and sanitation materials and equipment; and educational material and equipment. The imports refer to goods in item a) [as heard] only in the case internal production should be insufficient; to goods mentioned in items a) and b); to goods for agriculture and urban transport; to production, generation, and distribution of electricity and hydrocarbons; to construction of social infrastructure, irrigation, energy and transport in item e) related to the aforementioned needs for the physical integration of the country; to inputs and capital goods for the traditional and nontraditional export sector in item f). The complementary area involves the remaining economic activities.

Article 2. The foreign exchange needs of the essential area will be met through the General Direction of Foreign Exchange Operations and Supervision at the official exchange rate of 2,000 Bolivian pesos, plus the established tax on U.S. dollars. The foreign exchange needs of the complementary area will be met through the banking system and the legally recognized foreign exchange houses at the exchange rate of 5,000 Bolivian pesos per U.S. dollar.

Article 3. Individuals and corporations that acquire foreign exchange in the complementary area will have to present affidavits and vouchers on the application of the foreign exchange acquired.

Article 4. The banking system and the foreign exchange houses will freely acquire, at the rate of 5,000 Bolivian pesos per U.S. dollar, all the foreign exchange generated by exports from the nonessential area of the economy. Foreign exchange from the nonessential area will have to be deposited in the Central Bank.

Article 5. The maximum amounts of foreign exchange to be sold for the various applications will be regulated by the Central Bank.

Decree 20419, regarding the promotion of domestic savings, provides for the investment of resources owned by individuals and corporations in securities issued by the Bolivian Central Bank with guaranteed returns. This decree resolves:

Article 1. The Central Bank is authorized to issue certificates in Bolivian pesos or foreign currencies under the names gold savings certificates and dollars savings certificates, respectively.

Article 2. The Central Bank is authorized to issue gold savings certificates equivalent to up to 50,000 troy ounces, and dollar savings certificates equivalent to up to $20 million.

Article 3. The aforementioned certificates will be sold to the public by the Central Bank directly or by the banking system, and they will be transferable and negotiable.

Article 4. The gold savings certificates will be sold and redeemed in Bolivian pesos at the international gold price set daily by the Bolivian Mining Bank under the supervision of the Finance Ministry and the Mines and Metallurgy Ministry. The dollar savings certificates will be sold at the price of 5,000 Bolivian pesos per U.S. dollar, and the price can be modified through a government decree.

Article 5. The redemption of these certificates is guaranteed by the Bolivian state through the Bolivian Central Bank.

Article 6. The Bolivian Central Bank is authorized to operate in the secondary market of these certificates.

Article 7. These certificates issued by the Central Bank are tax free.

Article 1 of Decree 29421 refers to the promotion of production and exports, giving flexibility to the collection and allocation of foreign exchange. It reads: The deposit of 100 percent of export-generated foreign exchange in the Central Bank is obligatory.

Article 2 says that 30 percent of the net value of goods and service exports by the public and private sectors can be automatically used in the import of inputs and capital goods through letters of credit issued only by the Central Bank.

Article 3. The remaining percentage of foreign exchange will be liquidated at the Central Bank at the official exchange rate for the essential area of the economy, and the difference between the value of exports at the parity exchange rate and at the official exchange rate will be given to the exporter in foreign exchange export reimbursement certificates, Cercex, which in 90 days will be transformed into gold savings certificates. The Finance Ministry will every 2 weeks establish the value of the parity exchange rate. The Cercex's can be used to pay taxes, customs fees, and other obligations with the government, except obligations with departments.

Through Decree 20420, the Central Bank is authorized to contract the printing of certificate papers through open bids from specialized companies. These are the most important portions of the decrees the government promulgated yesterday.

Planning Minister on Measures

PY171640 La Paz Cadena Panamericana in Spanish 1130 GMT 17 Aug 84

[Text] With a financial reserve of $140 million, the Democratic and Popular Unity government has decreed that, beginning today, two dollar exchange rates will go into effect. They are: 2,000 and 5,000 pesos per dollar.

The 2,000-peso-per-dollar exchange rate is applicable for essential goods, pharmaceuticals, transportation, and other items of the so-called essential economy. The 5,000-peso-per-dollar exchange rate is applicable for all other supplementary economic activities. In this way, an attempt is being made to halt speculation on the black market. Planning and Coordination Minister Ernesto Aranibar Quiroga last night commented on the highlights of the government's decision:

[Begin Aranibar Quiroga recording] The national government, above all taking into account the people's interests as well as the interests of the productive sector and based on the possibilities that the state and the economy itself have, has taken a number of steps that essentially seek to destroy the conditions that are causing speculation in the economy. In this regard, we have not undertaken a devaluation of the official foreign exchange effective to date. However, in view of the production surplus we have of the financial resources coming from abroad, of the fact that during the January-July period we exported goods worth a total of $440 million and only imported goods worth $260 million -- due to tne terrible restrictions imposed [words indistinct] through the commission for allocating foreign currencies -- we wanted to maintain the foreign exchange rate at 2,000 pesos per dollar for all the essential areas of the economy, for all those areas involved in productive activities in the country, that is, for exports.

However, other activities that, although not luxurious or superfluous, are supplementary to the factories' activities had to resort -- because of the restrictions imposed by the commission for allocating foreign currencies -- to the black market, will now be able to count on a safe dollar, on an official dollar for the supplementary area which will be quoted at a price substantially lower than the black market prices.

All persons involved in productive activities or who have personal or organizational needs will be able to submit a declared statement on the application of foreign currency and buy dollars allocated for the supplementary area which is now created throughout the national banking system. Consequently, the dollar will drop substantially on the black market and those persons who have bought dollars on the black market will have done bad business because, beginning tomorrow, a bonus will be paid on the foreign currencies sold at 5,000 pesos.

On the other hand, those persons who have savings accounts, our countrymen who have some money in excess and do not know what to do with the financial assets that they have managed to accumulate in one way or another as a result of their work, will now have a chance to resort to gold savings certificates and to dollar savings certificates, which will spare them the choice of either having their money in devalued Bolivian pesos or having to resort to purchasing dollars.

Therefore, beginning today, we are creating, we are authorizing the Bolivian Central Bank to issue gold savings certificates, to which all Bolivians will have access. These certificates will be adjusted to the gold price quoted by the Bolivian Mining Bank. As you know, this price is always increasing because of changes in the international market and [word indistinct] Bolivian pesos. Therefore, we are certain that it will be an instrument that will be very attractive to those savings account holders who in the past had to resort to purchasing foreign currencies or attempted to speculate with economic assets.

I repeat again that bonds will be...that dollar savings certificates will be created [words indistinct], certificates that are not adjusted according to gold prices but according to the dollar exchange rates.

These measures, I repeat again, on the one hand will provide the economy with a larger foreign currency supply, thus permitting the coverage of those areas which -- for one reason or another -- are not covered by the commission for allocating foreign currencies, and on the other hand grant all the Bolivian people the possibility of safe savings.

Lastly, we feel that it is absolutely essential to [words indistinct] exports. In this regard, beginning today a foreign exchange reimbursement certificate is established. This certificate, in the first place, allows exporters to be much more flexible in the utilization of a percentage of the 100 percent of their foreign currencies, which any way they have to turn over to the Bolivian Central Bank, because, once they are free of the enormous bureaucratic obstacles they have faced up to now, they will be able to use 30 percent of their foreign currencies to import raw material (?free of obstacles) through letters of credit granted to the Central Bank of Bolivia. The remaining foreign currency will be given to them at the official rate of exchange [words indistinct] and for the remaining amount they will receive a foreign exchange reimbursement certificate covering the difference between the official rate for the essential sector of the economy and the parity exchange rate [that will be established by the Finance Ministry every 2 weeks].

With this we are sure that the exporters, who up to now were affected by [word indistinct] bureaucratic obstacles and by the unprofitable prices of their exports, as of today will have greater possibilities to expand their exports. [end recording]

Labor, Political Groups React

PY172215 [Editorial Report] La Paz Cadena Panamericana in Spanish at 1700 GMT on 17 August reports on reactions to the latest measures on the foreign exchange rate adopted by the government.

Panamericana reports that mineworkers at the Siglo XX mine reject the devaluation of the Bolivian peso decreed by the Democratic and Popular Unity, UDP, government headed by President Hernan Siles Zuazo. The mineworkers declared themselves on a state of alert and issued a communique that says that "an emergency meeting will be held in the next few hours to consider the devaluation decree," noting that "the Siglo XX miners cannot but express alarm at the new escalation of prices which reduces our pitiful salaries to a stack of valueless paper. On the other hand, the continuing upward inflationary spiral only shows that the measures dictated by the government on 12 April 1984 have failed." Calling the UDP government antipopular and antilabor, the communique states that "the government has just dictated measures as the result of which the U.S. dollar is now priced at 5,000 Bolivian pesos, under the pretext that this exchange rate will be valid for the so-called nonessential sector." Finally the communique says that "these measures will only cause an escalation of prices that will erase the last traces of credibility of the UDP government among the people and the workers."

The Revolutionary Front of the Left, FRI, according to its leader Oscar Zamora Medina, will request the ministers of the economic area to appear in Congress and explain the devaluation of the Bolivian currency. Medina said that "the measures are antipopular and antinational and true to the character of the Siles Zuazo government," adding that "the devaluation will have a negative effect on the country's economy and especially on workers' salaries," and "we have announced that the FRI will seek the cancellation of these measures.

In turn, Socialist Party leader Benedicto Delgadillo referred to the devaluation of the Bolivian pesos in these terms: "Measures that had been adopted before...to seperate the value of the national currency from the dollar, the disdollarization [mandatory conversion of assets and liabilities in dollars into Bolivian pesos at an exchange rate of 145 pesos per dollar] were totally wrong and unrealistic. Now these new measures take us back to pegging the value of the national currency on the dollar, the dollarization, to correct past mistakes. Had this measure been taken in 1982, we would now be in a different economic situation." He then added that if these measures are honestly and effectively applied "inflation and devaluation will be contained."

Rene Solares of the Bolivian Socialist Falange rejected the economic measures just imposed by the UDP government, saying that "they are measures taken on the spur of the moment without giving a thought to the effect they will have on the majority of the people." In Solares' view: "We can point out that it was the planning minister who some time ago, as finance minister, adopted the policy of disdollarization that hurt many citizens who had savings in dollars. So, with the intention to encourage the people to deposit their dollar savings now, the government, I believe, will not have the expected response".

The National Movement of the Revolutionary Left headed by Victor Paz Estenssoro will also request an oral explanation from Finance Minister Oscar Bonifaz, a Christian Democrat. In this regard, this is what Ciro Humbpldt Barrero of the MNRI told Panamericana: "The valuation of the dollar will be reflected in a price escalation that will depress the already low buying power of the Bolivian peso." Barrero said that "I cannot understand how the government's economic team could unload on the people a measure that dramatically aggravates their situation."

Lastly, Juan Lechin Oquendo, leader of the Bolivian Labor Federation, said that "these measures affect and hurt the people, the workers, and only benefir the speculators." Lechin then labeled the measures as "the kind of make-do measures which the government has grown used to adopting," adding that "with the obligation the government assumed selling dollars for 5,000 pesos, once again the speculators who have the cash for these purchases benefit." After explaining how the money for these purchases will be available at the banks for the speculators, Lechin notes the profits they will make.

COURT ADMITS MOTION AGAINST SILES PRESIDENCY

PY182259 Paris AFP in Spanish 1749 GMT 18 Aug 84

[Text] La Paz, 18 Aug (AFP) -- The Surpeme Court of Justice has upheld a motion by the rightist Bolivian Socialist Falange (FSB) objecting to the mandates of President Hernan Siles Zuazo, and Vice President Jaime Paz Zamora, it was reported in Sucre today. Sucre is located in the southern part of Bolivia. The FSB based its objection on the fact that Siles Zuazo, Paz Zamora, and the Congress members were elected for the period from 6 August 1980 to 6 August 1984 and that their administration is currently illegal because their mandates have expired. Magistrate Julio Urquizo explained that the motion was accepted because it is a legal action and that the representatives of Siles Zuazo, Paz Zamora, and the Congress members must now answer the plea.

NICARAGUA 'SATISFIED' WITH GOVERNMENT STAND

PY181150 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 17 Aug 84 p 2

[Excerpt] The Sandinist government of Nicaragua is satisfied with the attitude shown by Brazil in view of the Central American conflict. This point of view was conveyed to Foreign Minister Saraiva Guerreiro by Nicaraguan Agriculture Minister Jaime Wheelock who yesterday stopped off in Brasilia from Buenos Aires where he attended an FAO meeting.

The visitor called the conversation with Guerreiro "positive" since "it reflected a very constructive attitude on the part of Itamaraty in relation to our efforts." The Nicaraguan minister explained to the Brazilian foreign minister the Nicaraguan democratic process which will conclude with general elections in the first week of November.

Minister Wheelock also asked for Brazilian participation through technical assistance and project consultants for creating a cocoa zone in eastern Nicaragua. There is also a forestry project for this region. The host country will be in charge of obtaining financing from international banks.

IMF DELEGATION MEETS WITH NETTO, GALVEAS

PY170415 Rio de Janeiro O GLOBO in Portuguese 16 Aug 84 p 23

[Text] Brasilia -- The IMF delegation that is visiting Brasilia admits that the greatest obstacle to dropping inflation in the country is the system of indexation (linking other measures such as monetary correction and exchange adjustments on inflation). The IMF experts admit that the measures adopted against high prices are correct, and added that the reduction of inflation is indispensable for the economic development process.

These were the main points of the first meeting held at Planalto Palace between the IMF delegation and Planning Minister Delfim Netto, Finance Minister Ernane Galveas, and Central Bank President Alfonso Celso Pastore.

According to experts who participated in the 2-hour meeting, only a preliminary talk was held between Brazilian authorities and the IMF representatives to exchange ideas. According to the same sources, the most important aspect of the meeting was the consensus that inflation is the crucial problem of the Brazilian economy and that no economic recovery will be achieved merely through government measures, such as expansion of credits, because this reactivation depends, first of all, on the drop in the inflation rate.

According to the sources, the IMF experts have verified that the government has taken important steps to reduce the pressure on the monetary budget, such as the elimination of the subsidies for agricultural credits and the privatization of credits for exports, which will be put into effect beginning next month.

The IMF experts also admit that due to the high indexation rate of the Brazilian economy, there is a gap in time between the adoption of measures [passage indistinct] IMF economists and Brazilian authorities. No ideas seeking the reactivation of economic indicators were discussed at the meeting.

BOLIVIAN FOREIGN MINISTER MEETS WITH GUERREIRO

PY171940 Madrid EFE in Spanish 0834 GMT 17 Aug 84

[Text] Brasilia, 17 Aug (EFE) -- Bolivian Foreign Minister Gustavo Fernandez today stated in Brasilia that the foreign ministers of six Latin American countries will hold a meeting by mid-September to seek an agreement on joint action against drug trafficking.

The comments of the Bolivian foreign minister -- who made a quick visit to Brasilia to discuss this issue -- coincided with a report by the OAS that an antidrug campaign has begun. The OAS expects that a meeting will be held on 20 August to declare drug trafficking a "crime against mankind."

Fernandez stated that the foreign ministers of Bolivia, Argentina, Colombia, Ecuador, Peru, and Venezuela, plus a representative of the Brazilian Government, will meet in Santa Cruz de la Sierra on 11 and 12 September.

The meeting of foreign ministers was announced in a declaration signed recently in Quito by Bolivian President Hernan Siles Zuazo, Ecuadoran President Leon Febres Cordero, Colombian President Belisario Betancur, and Venezuelan President Jaime Lusinchi. Panamanian President-elect Nicolas Ardito Barletta and Sergio Ramirez Mercado a member of the Nicaraguan Government junta, also agreed to this document.

The creation of a world or regional fund was proposed in the declaration. The fund is intended to provide economic aid to the developing countries affected by drug trafficking. This aid will aim at financing the establishment of alternate crops, and at supplying to the country the appropriate instruments for the struggle against drug trafficking.

The Bolivian foreign minister stated that the document was "the beginning of a broader action against drug trafficking" and that the first steps in this direction will be taken at the Santa Cruz meeting. For the Bolivian Government, the drug trafficking problem "must be the object of an international action, including adequate financial resources comparable to the size of theproblem," he stated.

According to Fernanndez, the Bolivian Government feels that drug trafficking is not only a police or repressive problem, but an economic and social problem.

After the negotiations Fernandez carried out in Brasilia with his Brazilian counterpart, Brazil joined the collective effort of Ibero-American countries against the trafficking of drugs, and promised through its foreign minister to send a representative to the Santa Cruz meeting.

NEVES CHALLENGES MALUF TO DIRECT ELECTION

PY180010 Brasilia Domestic Service in Portuguese 2200 GMT 17 Aug 84

[Text] Sao Paulo -- Claiming that he would do just about anything to have the direct ballot system restored immediately, Tancredo Neves has announced that he will invite Paulo Maluf to hold a meeting with President Joao Figueiredo to discuss the issue. Tancredo said that he could now beat Maluf at the Electoral College by 80 votes. However, he pointed out that he prefers a vote by the people and said that he would also participate in an election held under the direct ballot system. According to Tancredo, the worst thing that can happen if the direct ballot system is restored is that the electoral contest would end and Deputy Maluf might feel that he is defeated before he begins.

For his part, Paulo Maluf has refused to comment on the challenge by Tancredo Neves to meet with the president of the republic to ask for the immediate restoration of of the direct ballot system. Maluf said that since he began his campaign he has respected the Constitution and that he will continue to do so. Communications Minister Haroldo de Mattos today voiced his support for Maluf's candidacy. Thus far, 14 ministers have formally voiced their support for the Social Democratic Party candidate.

NEVES CRITICIZES GOVERNMENT CORRUPTION

PY181141 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 15 Aug 84 p 4

[Text] Belo Horizonte -- Upon turning the Minas Gerais government over to his successor in Belo Horizonte, Democratic Alliance presidential candidate Tancredo Neves yesterday said that "our fight is aimed at restoring Brazilian dignity," charging that corruption, fraud, and speculation have become commonplace in Brazilian life.

Neves said that "the nation, which was first shocked, then accepted as normal the behavior of government officials who not only lived in a fantastic and unrealistic world of gratuities, but also irresponsibly and negligently negotiated Brazilian interests with foreign countries." He added: "Just to show our government officials' disregard for the patrimony of our nation, we have the shameful example of the polonetas."

Neves turned the Minas government over to Helio Garcia, saying that the 15 January indirect elections will be the last one in Brazilian history. He gave assurances that "for the honor of our children, we will finish with the infamous Electoral College."

Vice President Aureliano Chaves, who attended the ceremony, appealed to the unity of the Minas Gerais people. He said that he wants "a government that will be committed to preserving national sovereignty and the most precious and fairest needs of the Brazalian people." Chaves praised Ulysses Guimaraes' unselfishness, and recalled that from that same balcony Juscelino Kubitschek had started his victorious campaign for the presidency of the republic in 1955. In turn, vice presidential candidate Jose Sarny said that it is the country which has changed, and shouted: "Change, Brazil."

Before leaving the government, Neves revealed that he will act as though he were participating in direct elections. He will participate in rallies, conferences, public meetings and debates in labor unions. Telling President Figueiredo that he was leaving the Minas government, Neves told him that it will be a great honor to receive the presidential sash from him on 15 March.

MALUF CHARGES TANCREDO NEVES WITH 'BLUFFING'

PY180330 Sao Paulo Radio Bandeirantes Network in Portuguese 0230 GMT 18 Aug 84

[Text] Social Democratic Party candidate Paulo Maluf has said that Tancredo Neves' struggle for the direct ballot system is nothing but bluffing and that Neves' party, the Brazilian Democratic Movement Party [PMDB], does not actually want direct elections. Maluf said that Neves' challenge to go and ask President Joao Figueiredo for the immediate restoration of the direct ballot system is rather an act of demagogy. After saying that nobody is brave enough to challenge him, Maluf pointed out that the only invitation that Tancredo Neves should accept is the one asking him not to go to the electoral college.

However, Maluf did not make it clear whether he was for or against the direct ballot system, or whether his party would agree with the opposition on the immediate restoration of the direct ballot system.

REPORTAGE ON MALUF PRESIDENTIAL CAMPAIGN

No Government Help Forthcoming

PY180253 Rio de Janeiro O GLOBO in Portuguese 17 Aug 84 p 1

[Text] Carlos Atila, the spokesman of the Planalto Palace, yesterday said that Paulo Maluf, presidential candidate of the Social Democratic Party [PDS], will be elected on his own merits because the government will not use its administrative machinery to support him.

Maluf will have to travel in private airplanes to accompany President Figueiredo during his visits to the different states.

Antonio Carlos Magalhaes, former governor of Bahia State, said that his support for the Democratic Alliance is irreversible. He guaranteed that the PDS in his state will give 18 votes to Tancredo Neves in the electoral college.

Jair Soares, governor of Rio Grande do Sul, said that 90 percent of the PDS members he talked to in his state support Paulo Maluf. He disclosed, however, that so far he only talked to 40 percent of the PDS leaders.

Tries for Military Support

PY181601 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 16 Aug 84 p 3

[From "Notes and Information" page by N.M.: "The Military Do Not Believe in Pro-Maluf Intrigues"]

[Excerpt] Pro-Maluf people are marauding the barracks and the headquarters of the Military Club in Rio de Janiero, confident in the success of their sinister plan: To sell the image of the Social Democratic Party [PDS] presidential candidate as the legitimate heir of the ideals of the March 1964 revolution, while presenting opposition candidate Tancredo Neves as a threat to the institutions if not in the immediate future, then in the medium-term future, when he would be ready, if elected, to make concessions to the left in the nation.

The overwhelming majority of the military, who are now completely immune to dramatic appeals by those who want to take advantage of military support for the 1964 movement, have not concealed their disapproval of this brazen offensive by the local followers of Maluf. At all cost, these followers want to pass off Paulo Salim Maluf as the civilian "heir," dreamed of and announced more than 20 years ago by men of the stature of Marshal Humberto Castello Branco, Marshal Juarez Tavora, Brigadier General Eduardo Gomes, and other old and prestigious military chiefs.

The accusation against Tancredo Neves, that he represents a risk for the consolidation of the new Brazilian democracy, just because small and separate groups of leftists applauded him at the Brazilian Democratic Movement Party [PMDB] convention, did not have the desired repercussions and was not taken seriously by the various sectors of the Rio de Janeiro society, mainly the businessmen.

The former governor of Minas Gerais, who administered the country as prime minister during the parliamentary regime in 1961-63, is very well known and appreciated by people of all persuasions. He will not easily fall into this trap and become an innocent and foolish victim of this unimaginative pro-Maluf strategy.

PANAMANIAN BOATS SEIZED FOR ILLEGAL ACTIVITY

PY172320 Brasilia Domestic Service in Portuguese 2200 GMT 17 Aug 84

[Text] The Brazilian Navy has seized four fishing boats off the Amapa northern coast. The boats were sailing under the Panamanian flag.

According to a note released to the press by the 4th Naval District, the fishing boats, which belong to an international firm headquartered in New York, were heading for Belem. The note explains that the boats were retained because they had no documents and because they were carrying merchandise illegally.

CONCERN OVER FISHING SHIPS' 'INTELLIGENCE ACTIVITIES'

PY172220 Madrid EFE in Spanish 0356 GMT 17 Aug 84

[Text] Santiago, 16 Aug (EFE) -- The Chilean Government has expressed concern over the fishing and possible "intelligence activities" being carried out by ships from socialist countries in international waters near Chile. Fishing Under Secretary Roberto Verdugo has indicated that this problem will be brought up during the upcoming meeting of fishing ministers of the Latin American Economic System (SELA) member countries. Verdugo said that although the ships are operating in permitted waters and there are no international agreements on the kinds of fish they are catching, the new Law of the Sea establishes that measures must be adopted to prevent the exhaustion of sea resources. The Chilean official said that Chile, along with Peru and Ecuador which are also located on the South Atlantic, intends to adopt measures to get countries that fish in the area to report their activities to multinational organizations. According to Verdugo, the volumes of fish being caught by Soviet, Polish, and Cuban ships near Chile are not enough to finance their activities. He thus hinted at the possibility of these ships carrying out other missions. Roberto Verdugo said: "We believe that these ships are probably carrying out other activities than just fishing, such as intelligence work through the use of fishing vessels." He added that this often occurs throughout the world and that there even are ships "which carry out subversive actions in some of the nearby countries."

POLITICAL LEADERS REACT TO PINOCHET REMARKS

PY182305 Madrid EFE in Spanish 1734 GMT 18 Aug 84

[Text] Santiago, 18 Aug (EFE) -- Chilean politicians today reacted in various dailies to the controversial statements made by President Augusto Pinochet to foreign correspondents on 16 August.

Christian Democratic Party President Gabriel Valdes said that "we reject with indignation his statements, which show the regime's hatred for civilians and its extreme moral and political weakness. He has again smeared opposition members by describing them as senile and discredited, and when he was asked about the opposition youth he said he would talk with them because they are rotten." Valdes, who served as foreign minister under Eduardo Frei's administration, added: "He insults all those who do not obey him like soldiers."

The Marxist Popular Democratic Movement (MDP) issued a public statement saying that "Pinochet's statements to foreign correspondents show his determination to stay in power."

Carlos Briones, president of the Socialist faction at the Democratic Alliance, said that "I am not surprised by Pinochet's statements and I insist that he is essentially antidemocratic."

Social Democracy leader Mario Papi was not surprised by Pinochet's statements either, stating that "his statements confirm what we all know, that his only goal is to stay in power."

Republican Right member Armando Jaramillo said that "disregarding what he offered to the country through Interior Minister Sergio Onofre Jarpa some time ago (a political opening), Pinochet is currently ready to erase with his elbow what he has written with his hand."

Pablo Rodriguez, member of the ultrarightist National Action Movement (MAN), said that "the statements by the president of the Republic show an accurate understanding of the real situation, something which is unusual in the current national political atmosphere."

Among other statements, Pinochet said that the political plan included in the 1980 Constitution, which extends his term of office until 1989, will not be changed.

SOCIALIST LEADER BRIONES SEEKS PARTY REUNIFICATION

PY171934 Madrid EFE in Spanish 1144 GMT 15 Aug 84

[By Senen Conejeros]

[Text] Santiago, 15 Aug (EFE) -- By issuing his "Letter to the Socialists," Carlos Briones, secretary general of one of the most important Socialist factions, has started actions seeking "the reconstruction of the great Socialist Party of Chile." Briones, who was the last interior minister of the Popular Unity government, proposes to conclude the unifying procedure with a partisan congress under the slogan: "Salvador Allende, Unity of Chilean Socialism." Before the partisan congress is held, Briones proposes holding meetings and negotiations to draw up a national Socialist project, and to carry out some joint actions.

Chilean socialism is currently split into three large political parties: the "hardliners," who belong to the Communist Party within the Popular Democratic Movement, and the "historical" and "humanist" (headed by Briones) factions, which are members of the opposition "Democratic Alliance" together with Christian Democrats, Social Democrats, Radicals, and Republican Rightists. Briones' proposal to unite the Socialist Party is particularly directed at the leaders of the other factions: Clodomiro Almeyda of the "hardliners" and Manuel Mandujano of the "historic" faction.

In his message Briones notes that "many Socialists have witnessed with dispair, concern, anguish and indignation how the Chilean Socialist Party has split up and dispersed during the past 11 years." In referring to the government of the Popular Unity that was headed by former President Salvador Allende, its last interior minister states that "it did not fall because of its mistakes but rather because of its achievements." According to Briones, to assert this "does not mean that we do not recognize our mistakes, because we are aware that we made them and we are admitting them in the hope of not making them again." Briones, in analyzing Chilean socialism, also admits that during the government of the Popular Unity "there were serious and deep contradictions and that there were times when stances, points of view, and ideas which were not only contradictory but were different." The Socialist leader reiterates his desire to unite the Socialist Party in order to "get centrist politicians to adopt a firmer stance toward the dictatorship and, on the other hand, to force the Communist Party to review its current political trend, which is leading the people's movement to a new failure."

In what he calls the country's repoliticization, Briones terms as a historical mistake the "attempt to rebuild the political scenario on the same pattern as that of 1973," when the military coup took place.

Briones ends his call for Socialist unity by pointing out that due to their divisions the Socialists have made room among the popular sectors for the Communist Party and the Christian Democratic Party.

CNT SAID ORGANIZING 'AGITATORS' FOR UPCOMING STRIKE

PY180005 Santiago Domestic Service in Spanish 2300 GMT 17 Aug 84

[Text] The so-called National Workers Command [CNT], directed by communists, has begun to organize small groups as a basis of support for the upcoming strike. With this purpose in mind the CNT has created the so-called Chilean Transport Confederation [Confederation del Transporte Chileno -- CTCh] which has a minimum representation in that union sector. In the first public declaration, the confederation representatives obeyed the orders of the political activists who direct the CNT. The CNT is trying to obtain the unity of all agitators who work with Marxists and extreme communist sectors.

REPORTAGE ON SANTIAGO BOMBINGS, DAMAGE

Police Stations Attacked

PY171321 Santiago Domestic Service in Spanish 1100 GMT 17 Aug 84

[Text] At dawn today, the Carabineros continued to carry out the dragnet begun after [words indistinct] explosive device against Los Nogales police station, Los Nogales neighborhood in San Miguel District, Santiago. The (?explosion) which occurred at 2330 yesterday, fortunately did not cause any casualties. The bomb, of very little power, was hurled by a group of unidentified individuals through the back of the Los Nogales police station located on 21 de Mayo, Los Nogales neighborhood. The explosion, which caused a great commotion in the area, caused only minor material damage to the station. The Carabineros appeared at the station shortly after the explosion and began a large dragnet in search of those responsible for the attack. Moreover, it was disclosed that two explosive devices were hurled by two unidentified individuals through the back of the Cabo Tomas Pereira police station in Pudahuel. It was reported that the explosion caused damage to the police station dormitory and the archives, but that no casualties were incurred. [passage indistinct]

U.S. Firm, Bank Branch, Targets

PY171428 Paris AFP in Spanish 1331 GMT 17 Aug 84

[Text] Santiago, 17 Aug (AFP) -- A police station, a U.S. cosmetics company, and a branch of the State Bank in Santiago have been damaged by dynamite charges hurled by unknown individuals, Chilean authorities reported today. The sources added that the bombs caused considerable damage but no casualties. These bombings, which none of the organizations engaged in armed actions against President Augusto Pinochet's government have claimed credit for, took place on Thursday night and in the predawn hours of Friday morning. Last week, amid a wave of similar sabotage actions, the government stated that the subversive actions are part of the agitation plan being carried out by the banned Communist Party.

BRIEFS

BOLIVIAN DRUG TRAFFICKERS -- Santiago, 8 Aug (AFP) -- The Chilean police have arrested Bolivian citizens Jorge Veizaga Viruez, and Raimundo, Juan, and Eduardo Suarez Borja, who are brothers. These four persons, who were carrying 500 grams of cocaine when they were arrested, have smuggled 100 kg of cocaine into the United States over the past 5 years. They operated from Santa Cruz, Bolivia, and sporadically came through Santiago. [Summary] [Paris AFP in Spanish 1806 GMT 8 Aug 84 PY]

NEW MINISTERS OUTLINE PROGRAMS, OBJECTIVES

PA200321 Quito Voz de los Andes in Spanish 1230 GMT 19 Aug 84

[Text] President Leon Febres Cordero's new government has outlined the plans and programs to be implemented during his 4 years of constitutional rule, as well as the general guidelines regulating various fields. During the past few days, 10 of the 12 ministers of the new administration, have outlined the policy that their respective ministries will follow.

National Defense Minister General Luis Pineiros said that the new government will not embark on an arms race. However, he said: We will in fact be prepared to counter any attack.

Social Welfare Minister Jorge Egas said that the new government will not divert its attention from upgrading the peoples' welfare to political and ideological activities. He added that women's and Indian group issues will receive priority treatment. Egas also announced a complete restructuring of the Ecuadoran Social Security Institute, [IESS], mainly with regard to the legal, administrative, and economic aspects. However, he rejected any possibility of turning the IESS into a private institution. Autonomy and an efficient organization will be the main strengths of IESS, he said.

Public Health Minister Virgilio Macias said that he will work on organizing a new structure. He also said that he will outline a coherent health program. Macias added that priority will be given to disease prevention and that the ministry will work with rural communities mainly to help them implement health prevention programs.

Francisco Diaz, the labor and human resources minister, said that the new administration's labor policy will respect workers' rights and guarantees. He said that dialogue will be adopted as the mechanism to solve conflicts and obtain more harmonious labor-management relations.

Alfredo Burneo, public works and communications minister, said that road development will be one of the new government's important objectives. He also announced the construction of more than 3,000 km of highways and secondary roads over the next 4 years.

Meanwhile, Camilo Gallegos, education, culture, and sports minister, said that the constitutional government will tackle the problem of illiteracy in a pragmatic and organized way. He explained that the country currently faces a shortage of more than 24,000 [as heard] schools and that his administration is seeking financing to solve this problem.

Foreign Relations Minister Edgar Teran said that he will strive to defend national rights and interests without any prejudices, and that the improvement of the country's image abroad will also be an objective of his ministry.

Francisco Swett, finance and public credit minister, pointed to the treasury's serious financial situation. He said that a great effort will be made to pay off upcoming and immediate expenses such as wages and salaries, and other priority commitments. Swett revealed that the government currently has a cash deficit of approcimately 28 billion sucres. He said that the new government will need 25 billion sucres to pay off its fiscal deficit.

Xavier Espinosa, natural resources and energy minister, announced the establishment of an energy policy that will be in force for more than 30 years, the opening of the country to foreign capital for the exploration and exploitation of new hydrocarbon fields, and the establishment of a policy in keeping with the national economic situation.

Finally, Javier Neira, industries, commerce, and integration minister, pointed out that his ministry will seek to implement a new development model leading industry to the production of export goods.

Further Neira Remarks

PA180031 Quito Voz de los Andes in Spanish 1130 GMT 17 Aug 84

[Text] According to Industries, Commerce, and Integration Minister Javier Neira, foreign trade, integration, and other areas that fall within his ministry's purview are being restructured to facilitate the implementation of the ministry's economic development policies. Another aim of this restructuring process is to favor the administrative and functional decentralization of the tasks connected with industrial development, foreign trade, and the integration and tourism policies that must be carried out by this ministry.

[Begin Neira recording] In the Andean Group area, for instance, where the previous administration created so many false expectations, we will act pragmatically, demanding the reorientation (?and revision) of the integrationist model, in accordance with the current economic circumstances prevailing in our countries. The constitutional president of the Republic has signed Executive Decree No 35 which merges the offices known until yesterday as the Undersecretariats of Foreign Trade and Integration into the Foreign Trade and Integration Undersecretariat. This decree has several purposes, not merely the desire to rationalize the administration, which is becoming a part of the government's activities through these tangible developments. It also seeks to systematize and merge into a single office, which will be directed by economist (Nelson Cevallos Rodriguez), all of the actions connected with foreign trade; not only those dealing with the multilateral and bilateral agreements or with staples, but also those aimed at implementing a general policy to promote exports; bolstering the regional, subregional, and border economic integration processes; and establising a suitable foreign investment policy in line with the president's views. [end recording]

Finally, the minister announced the implementation of an austerity and morality policy at all levels, indicating that he will auction off those vehicles found to be unnecessary. He also denounced several irregularities found during these first days of ministerial activity. Minister Neira also mentioned five fundamental points on which his ministry's policy will be based. He later denied that Ecuador has filed a suit against Venezuela at the Andean Justice Tribunal, asserting that the bilateral trade problems with subregional countries will be resolved. On the matter of prices, he indicated that profitable levels will be set to guarantee just profits to farmers and producers in general in order to gradually diversify production. In this way production will not only satisfy domestic demands, but will also guarantee surpluses for exportation. Neira said that a pragmatic price control policy seeking to combine the legitimate protection of consumers with the need to increase production will be one of the appropriate mechanisms to combat inflation.

BRIEFS

NEW NAVY COMMANDER GENERAL -- Vice Admiral Santiago Coral Teran was installed yesterday as the new Navy commander general at the naval base in Guayaquil. [Summary] [Quito Voz de los Andes in Spanish 1230 GMT 19 Aug 84 PA]

SOCIAL SECURITY DIRECTOR -- Social Welfare Minister Jorge Egas yesterday swore in Dr Vicente Burneo Burneo [Summary] [Quito Voz de los Andes in Spanish 1130 GMT 17 Aug 84 PA]

GOVERNMENT 'PLEASED' WITH REMARKS BY ECUADOR'S TERAN

PY180145 Paris AFP in Spanish 2?31 GMT 17 Aug 84

[Text] Lima, 17 Aug (AFP) -- Prime Minister Sandro Mariategui said here today that the Peruvian Government has been pleased with the statements by the new Ecuadoran foreign minister, Edgar Teran, that he will work for the strengthening of Peruvian-Ecuadoran friendship. Mariategui pointed out that Peru has always shown that it wants to maintain friendly relations with Ecuador and that its foreign policy is aimed at promoting good relations with all the nations of the world, particularly the Latin American nations. Mariategui made this statement upon conclusion of the weekly cabinet meeting held at Government Palace.

ARMED FORCES ISSUE COMMUNIQUE ON OROPESA KILLING

PY171804 Lima Cadena Panamericana Television in Spanish 0200 GMT 16 Aug 84

[Text] Military personnel did not participate in nor did they have any responsibility for the killing of peasant leader Jesus Oropesa Chonta, whose body was found on Friday, 10 August. The Armed Forces Joint Command today issued the following communique:

The Armed Forces Joint Command informs the public that, after conducting the appropriate investigations among the military personnel in the Andamarca region regarding the events that led to the death of Mr Jesus Oropesa Chonta, the following has been established:

1. The personnel of the Armed Forces had refused to take Jesus Oropesa Chonta, who had been arrested by police personnel, into custody because they considered that his arrest and subsequent treatment feel under police jurisdiction.

2. Military personnel did not participate in nor did they have any responsibility for the arrest and murder of Mr Oropesa.

[Dated] 16 August 1984

[Signed] Public Relations Office of the Armed Forces Joint Command

JOURNALISTS MARCH; POLICE REACT WITH 'HARSHNESS'

PY172150 Madrid EFE in Spanish 2031 GMT 17 Aug 84

[Text] Lima, 17 Aug (EFE) -- The police today reacted with extreme harshness in breaking up a march by Peruvian journalists and press workers who were trying to get to the Presidential Palace to protest the "disappearance" of a press correspondent in the Andean zone. The demonstration was called by the union of the opposition newspaper LA REPUBLICA whose correspondent Jaime Ayala Sulca disappeared in Huanta on 2 August after visiting a Marine infantry garrison. Antiriot squads of the Civil Guard intercepted the march of approximately 100 demonstrators upon entering the parade grounds of the Peruvian capital where Government Palace is located. Several demonstrators were beaten up and bruised and at least two, one of them Oswaldo Sanchez, who is president of the Photographers Association, were taken to a hospital.

Interior Minister Luis Percovich Roca later condemned the harshness of the police action by saying that "the environment of violence affecting the country creates distortions in the personality and behavior of the policemen which can be explained, but actions of this kind cannot be justified." The minister added that "concrete directives" have been given to protect journalists and the people in general from possible excesses by the police.

Civil Guard Communique

PY181417 Lima Cadena America Television in Spanish 0300 GMT 18 Aug 84

[Excerpt] Journalists today carried out a march in an effort to get to Government Palace to meet with the president to ask for his intervention in the disappearance of journalist Jaime Ayala. Regarding the demonstration carried out by journalists today, the Civil Guard has released the following communique:

Official Communique No 6. The Peruvian Civil Guard Command would like to report the following:

1. Journalists at 1235 today carried out a march to deliver a note to Government Palace, a march authorized to take place on Camana and Santa Rosa Streets. However the journalists entered the parade grounds. Therefore, they were evicted for security reasons.

2. Later a group of six delivered the note to Government Palace. This group left after reporting to the participants of the march about the delivery of the note.

3. There were some agitators among the demonstrators who attacked the Civil Guard personnel on duty.

4. An investigation of this incident has been ordered. If excesses by police personnel are established, they will be punished according to regulations.

Lima, 17 August 1984 Public Relations Office of the Civil Guard Command

NEWSMEN DETAINED AFTER PHOTOGRAPHING PLANES

PY182035 Madrid EFE in Spanish 0229 GMT 18 Aug 84

[Text] Lima, 17 Aug (EFE) -- An Argentine reporter and a photographer for the U.S. news agency UPI were detained for 3 hours in Ayacucho for taking photographs of military installations at Ayacucho airport. Oswaldo Leboso, of the Buenos Aires magazine SIETE DIAS, and Oscar Baretta, also Argentine, and UPI photography editor for Latin America, were detained by Air Force personnel and handed over to the police having been charged with photographing Peruvian combat planes used in the fight against the subversive Shining Path group. A UPI representative in Lima told EFE that the detainees admitted to having photographed an armed Bell helicopter on which air-to-land rockets were being installed. However, they said that "no one had told them that taking photographs was prohibited." The detainees were released 3 hours later after testifying before the police. No charges were filed against them but four rolls of film were seized.

Ayacucho airport is being used not only by civilian planes but also by Peruvian airborne forces that are operating in Ayacucho Department (575 km southeast of Lima), which is the center of guerrilla actions and of the antisubversive fight by the police and the Army. Transport planes and helicopters armed with 50-mm caliber machineguns are participating in the antisubversive operations.

REPORTAGE ON TERRORIST ATTACKS, VIOLENCE

Shining Path Kills 26 Peasants

PY172110 Paris AFP in Spanish 2037 GMT 15 Aug 84

[Text] Lima, 15 Aug (AFP) -- Reliable sources reported here today that a column of the Shining Path, a Peruvian extreme left movement, has killed 26 peasants -- including children and women -- in Huallahualla District in the Ayacucho Province of Victor Fajardo. According to the sources, heavily armed Shining Path members last Saturday entered the locality of Huallahualla, 250 km south of Ayacucho, and killed the farmers who were members of the so-called peasant patrols. The patrols are paramilitary organizations that were initially created to fight rustlers and that have recently been used to fight terrorism. A Lima newspaper, which today published a partial list of the murdered peasants, reported that the incident, which lasted 4 hours, was apparently to avenge the death of 5 Shining Path members who were killed by the peasant patrols in the same area last month.

In a letter addressed to the presidents of the Protestant Synod and the Peruvian Protestant Council, the National Presbyterian Church of Callqui, 2 km east of the city of Huanta, has reported the killing of 6 of its members by government forces. The letter reports that Navy forces entered the Callqui church on 1 August and arrested some chuch members who were attending a religious service. Shortly after, the letter concludes, the detainees were found dead.

Official sources have also reported that Teodosia Ticlio Curi, the wife of the governor of the locality of Pachacolla, Huancavelica, 522 km from Lima, was beheaded on 12 August by subversives who were looking for the authorities of the small village.

Police have reported that a youth died and that a bus driver was shot and wounded on 14 August in Churcapampa on the Huancayo-Pampas highway southeast of Lima, when the bus was machinegunned by terrorists who were apparently trying to seize the passengers.

A child died and his younger sister was wounded by accident on 12 August when Army fired at the car in which they were riding which was being driven by their father. By mistake, the car entered the restricted area around the La Polvora barrack, located in the outskirts of Lima.

Five Assassinated in Huambo

PY171810 Lima Cadena Panamericana Television in Spanish 0200 16 Aug 84

[Text] Reports fromAyacucho provide information about an attack by Shining Path guerrillas on the area known as Huambo where five people were assassinated and the body of Professor Teodosio Oriundo Cuadros who reportedly was arrested on 14 August, was found.

Reports from Huamanguilla District, Huambo Province, which is north of Ayacucho, recount the discovery of two bodies, one of them recognized as that of Professor Teodosio Oriundo Cuadros who, according to his relatives, was arrested on 14 August. In addition, Edilberto Oromizongo Perez, 22, who was wounded by a gunshot in Huambo, Victor Fajardo Province, south of Ayacucho, said that on 12 August Shining Path guerrillas attacked Huambo, killing five residents and wounding another six.

30 Shining Path Members Die

PY180040 Paris AFP in Spanish 1633 GMT 17 Aug 84

[Excerpt] Lima, 17 Aug (AFP) -- Police sources reported here today that 30 terrorists, an Army soldier, and an undetermined number of civilians were wounded during two clashes that took place in Ayacucho, 575 km southeast of Lima, on 13 August. A column of 80 Shining Path members, which was heading toward the city of Huanta, 200 km from Ayacucho, was surprised by a police patrol and a 2-hour fight ensued which left a death toll of 30 Shining Path members, both men and women. The same source reported that there were no casualties among the police forces, and that the terrorists, under the cover of darkness, had taken their wounded comrades away. Unconfirmed reports said that an Army soldier was killed during an ambush by terrorists on an Army patrol in Flor de la Canela, 11 km from Huanta. Sketchy reports said that the military patrol was surrounded by 100 subversives and that, after a fierce clash, the military patrol made the terrorists retreat. The bodies of Teodosio Oriundo Cuadros, a teacher, and of two unidentified peasants were found on 16 August near Huamanguilla, in the Ayacucho Province of Huanta. Cuadros' wife, Fabiana Quispe, said that the victims had been detained on 13 August.

Towns, Buildings Attacked

PY182330 Paris AFP in Spanish 1618 GMT 18 Aug 84

[Text] Lima, 18 Aug (AFP) -- The police reported in Lima today that the bodies of six people, including a minor, murdered by members of the Peruvian Shining Path terrorist group have been found in various localities in the emergency zone and that a police station and various public and private buildings have been dynamited and burned. The bodies of three unidentified people were found in Huatatas locality on 16 August and two others bodies were found in the Infiernill shantytown, according to judicial authorities of the city of Ayacucho. On 17 August, plainclothes policemen found the burned body of a minor in Puracuti locality, 3 km from Ayacucho. Although the child's identity was not revealed, it was indicated that a sign which read "Killed for being a spy and traitor" was found next to the body. Also on 17 August, 80 heavily armed and hooded terrorists attacked the Armasvillage in Huancavelica, 522 km southeast of Lima. After a heavy clash with 10 policemen supported by some civilians, the terrorists dynamited the local police station, the city hall, and the post office premises. The police did not specify whether there were any victims. Similarly, after looting and burning a farm owned by the Oblate Sisters congregation in Toya locality, 3 km from Huanta, a group of subversives entered the Waracco, Chuno, and Tampa localities, where they looted houses and small shops and later they blew up the Huanaco bridge on the Mantaro River. Reports from the area indicated that several communities were isolated as a result of the blowing up of the bridge. However, they did not report any victims. Last night, the Interior Ministry offices in the Surquillo neighborhood in Lima was machine-gunned from a car. However, the ministry's guards repelled the attack and no victims have been reported.

REPORTAGE ON NATIONAL PARTY CONVENTION

Ferreira Candidacy Withdrawal

PY192355 Montevideo Radio El Espectador in Spanish 1746 GMT 19 Aug 84

["Text" of Wilson Ferreira Aldunate "letter of resignation" from the presidential ticket of the National Party, read by Guillermo Garcia Costa, president of the National Party convention, from the convention in the Trouville Club in Montevideo -- live]

[Text] Trinidad, 6 August 1984; Mr Juan Pivel Devoto, president of the National Party Executive Board; dear fellow party members:

I would like to express my complete solidarity with the decisions of the Executive Board regarding the constitutional system established in the agreement reached by the commanders of the Armed Forces and the representatives of political parties.

The party and the large majority of our people will never accept a constitutional amendment or reform without a plebiscite. They will also never accept any system subjecting the democratic government to military control. The draft constitution assigns a constitutional role to the commanders of the Armed Forces who will replace the president in that role. At the conclusion of the Naval Club agreement the Army commander clearly and firmly said that the president will not be able to summon the commanders.

From now on our party will have to be the standard bearer of a great national cause designed to prevent any further situation in which civil power will again be relinquished, especially when some are seeking to take this action without the express prior consent of the people.

All the institutional acts promulgated by the government under the self-assigned constitutional power of the executive branch are entirely invalid. The draft constitution is also invalid because the consent of the group of citizens, no matter how representative and respectable, does not make it legitimate.

Therefore, Mr President, I believe that the National Party representatives within the executive branch and in Congress will consider as nonexistent all institutional acts and will, in keeping with the powers bestowed upon them by the Constitution, proceed to discharge their duties without recognizing any other limitations than those established by the Constitution and will approve in accordance with the Constitution the necessary laws and administrative acts to fulfill the solemn promises made to the nation on 27 November 1983 by calling without delay free and democratic general elections without proscribed political parties and citizens, and without political prisoners.

In order to fulfill this promise I request to the president to submit to the honorable conveition my resignation as presidential candidate of the republic, a candidacy with which I was honored some time ago. [shouts of disapproval]

The prevailing practice was a deliberate plan to create conditions to make the participation of the National Party impossible. It was easy to understand that the party would never accept that other circles or parties decide who could be the National Party candidates. But I, Mr President, have both the right and duty to adopt those personal decisions which in my opinion would best serve the interests of our republic, which our party intends to further.

I believe that the National Party, now more than ever, has the unavoidable obligation of voting and of winning since this is the only way of facing the serious risk confronting our republic. I will help with all my strength to forge the people's victory. Whether in prison of free, I will do so just the same. To be in prison depends on others and to be free depends on onself with the help of God. Accept, Mr President, a warm embrace and convey this embrace to all the members of the Executive Board and express to the honorable convention my gratitude, faith, and hope. Long live the fatherland! Signed: Wilson Ferreira Aldunate.

Withdrawal Rejection

PY192220 Montevideo Radio El Espectador in Spanish 2130 GMT 19 Aug 84

[Text] The national convention of the Blanco Party has just ended. A recess has been called and the convention officials have been empowered to reconvene it. No agreement has apparently been reached and the only motion to have been approved is the rejection of the resignation of Wilson Ferreira Aldunate and Carlos Julio Pereyra. [passage indistinct]

Guillermo Garcia Costa, president of the Blanco convention, has announced that a recess has been called until perhaps next Sunday, 26 August, in order to learn the final decision of Wildom Ferreira Aldunate and Carlos Julio Pereyra about the position adopted by the Blanco Party.

All delegates have noted that Blanco supporters should understand that the will of Wilson Ferreira Aldunate must be heeded and thus the Blanco Party must participate in the upcoming election at all costs and then, once in the government, action should be taken to repeal all institutional acts, including No 19, and new elections should be called in which all proscribed parties and politicians could participate. This was the prevailing sentiment at the convention. There will be a meeting tomorrow morning of the majority [words indistinct].

Guillermo Garcia Costa, president of the Blanco Party convention, made the following remarks:

[Begin recording] [Garcia Costa in progress] ... to request Mr Ferreira Aldunate and Carlos Julio Pereyra to withdraw their resignations, which we have not accepted.

[Unidentified reporter] When will the convention reconvene?

[Garcia Costa] The convention officials can reconvene it as soon as we have a reply to this decision from the above candidates.

[Reporter] Everything indicates that you will soon meet with Ferreira Aldunate in Trinidad. [passage indistinct]. [end recording]

Minority Sector's View

PY200330 Madrid EFE in Spanish 0150 GMT 20 Aug 84

[Text] Montevideo, 19 Aug (EFE) -- Minority sectors of the National (Blanco) Party today charged Ferreira Aldunate's supporters with attempting to lead the country into a civil war. Montevideo Mayor Juan Carlos Paysse, a lawyer who is a presidential candidate for the Blanco minority faction and who had been Ferreira Aldunate's secretary until 1976, today stated that the Blanco majority faction "is unable to lead Uruguay to democracy."

Paysee harshly criticized the Blanco Party convention president, Guillermo Garcia Costa, for failing to control the majority faction which acts "in a dictatorial fashion" by not letting the minority express its views. Paysee made this charge as a result of an attack by supporters of the Blanco majority faction against 37-year-old attorney Cristina Maeso, the vice presidential candidate for the Blanco minority faction. Mrs Maeso was surrounded and attacked by a group of troublemakers, who also attacked photographers who were trying to take pictures of these incidents.

A group of persons came to rescue Mrs Maeso and after shattering a large windowpane they led her into an apartment building located a few meters away from the building where the Blanco Party convention, which has not accepted Ferreira Aldunate's resignation as presidential candidate, was being held. The attackers surrounded the building for 30 minutes until an antiriot squad of the Montevideo police came to rescue her. Leaders of the Blanco minority faction have harshly criticized the intolerance shown by Ferreira Aldunate's supporters. The incidents have not had serious consequences but have provoked protests and uncertainty about the future of this party whose internal divisions are becoming increasingly worse.

SANGUINETTI PROCLAIMED COLORADO CANDIDATE

PY190100 Paris AFP in Spanish 2318 GMT 18 Aug 84

[Excerpts] Montevideo, 18 Aug (AFP) -- Colorado Party Secretary General Julio Maria Sanguinetti was today proclaimed presidential candidate for the upcoming elections, which the government has officially set for November. The elections will allow Uruguay to return to democracy. During the Colorado Party convention held today, Sanguinetti's candidacy was unanimously approved by the 292 delegates who participated in the convention.

Similarly, the party convention also unanimously approved the candidacy of Enrique Tarigo for vice president. Tarigo, a 57-year-old lawyer and journalist, gained political fame for his systematic opposition to the military government.

On accepting his nomination, Julio Maria Sanguinetti promised that if elected, as of 1 March 1985 there would be no more hunger, arbitrary measures, and injustices in Uruguay. He said that Uruguay confronted subversion first and then military arrogance, but said that the democratic Colorado Party members will eliminate arrogance through humble actions within the law. Sanguinetti also swore that he will rule over the country through strict respect for the Constitution and he asserted that military despotism will be finally defeated through the law and justice.

RIGHTS OF 553 BROAD FRONT MEMBERS RESTORED

PY180155 Montevideo Radio Carve in Spanish 0000 GMT 18 Aug 84

[Text] This afternoon the government restored the political rights of 553 Broad Front [FA] members. Listed among them are Dr Juan Jose Crotoggini, and Francisco Rodriguez Camusso. According to reports from Armed Forces commanders, 65 petitions for restoration of political rights were rejected. Thus Liber Seregni, Dr Hugo Villar, Enrique Erro, and others continue to be proscribed.

These reports were released after a meeting between military commanders and politicians Dr Juan Vicente Chiarino, Enrique Tarigo, Jose Pedro Cardoso, and Juan Young which took place at the Joint Chief Staff building. FA leaders then went over to the house of Liber Seregni to consider this situation.

NEW RIGHTIST POLITICAL GROUP LISTS GOALS

PY170200 Paris AFP in Spanish 1620 GMT 16 Aug 84

[Text] Montevideo, 16 Aug (AFP) -- A new rightist organization has emerged in the Uruguayan political spectrum in recent days. This group, New Uruguayan Social Action [**Nueva Accion** Social Oriental -- NASO], advocates the death penalty and compulsory military service.

In a public communique, NASO states that its members will organize a party which will use the name PARNASO. NASO states that it maintains a truly nationalist line and calls upon those seeking to become independent from the Marxist yoke to join its ranks. NASO also criticizes those political parties that do not truly interpret the feelings of the people.

To purify society, the NASO communique says, one must give examples instead of speeches to the people, and then ask them for their vote. NASO seeks to implement compulsory military service because the Army imparts discipline, builds willpower, and espirit de corps. NASO also atrongly favors the death penalty for those who attack society by committing vicious crimes such as murder and rape.

TUPAMARO ANGEL YOLDI DIES IN HOSPITAL

PY170411 Paris AFP in Spanish 2116 GMT 16 Aug 84

[Text] Montevideo, 16 Aug (AFP) -- Sources close to the Uruguayan Human Rights Commission have revealed that Tupamaro guerrilla Angel Yoldi, who has been imprisoned since 1972, died early this morning at a military hospital in Montevideo of a malignant tumor that was first detected in 1981.

A 38-year old teacher and lumber worker, Yoldi was handed out a 30-year sentence plus 15 years of restricted freedom on charges of participating in the dismantled National Liberation Movement (MLN-Tupamaros).

During the last few weeks, human rights organizations and some mass media had asked that Yoldi be released in view of his serious condition. Relatives have reported that his body was taken to Florida Department, 100 km from Montevideo, where it will be buried.

USSR SAID TO WANT REGIONAL CONFLICT TO CONTINUE

FL172030 Mexico City NOTIMEX in Spanish 1825 GMT 17 Aug 84

[Text] Mexico City, 17 Aug (NOTIMEX) -- The USSR wants the Central American conflict to continue because it damages the United States politically and forces it to use resources and thus decrease its pressure against Soviet borders. This statement was made by Antonio Duenas Pulido, minister at the Mexican Embassy in the USSR, who expressed the opinion that this strategy is the one that gives Moscow the best results at the least cost and without much danger. Duenas Pulido stressed the fact that the USSR will not increase its military presence in Nicaragua because it is not interested in contributing to the reelection of U.S. President Ronald Reagan and does not believe that the Caribbean or Central America present any threat to Soviet security. He also stressed the fact that, because of the organic structure of its Armed Forces, the USSR can endanger U.S. security without bases in Central America. Nevertheless, the USSR does not desire any direct confrontation with the United States. Duenas Pulido said the USSR will support Nicaraguan sovereignty in every way short of direct intervention and will struggle against imperialism in the region. Duenas said that distance has been a determining factor in making contact with Latin American nations a low priority for Soviet security, and that this is more true now in the era of intercontinental ballistic missiles and artificial satellites.

1984-88 MINING DEVELOPMENT PROGRAM DETAILED

PA190357 Mexico City EL DIA in Spanish 15 Aug 84 p 1

[Text] With President Miguel de la Madrid's signing of the 1984-1988 national mining program yesterday, the Mexican nation will exercise full control over its natural resources. The program will strengthen our country's foreign economic sector, help to balance regional development, ensure self-sufficiency with available resources, generate additional jobs, replace imports, and raise the workers' standard of living. The 1984-1988 national mining program will involve an investment of 322 billion pesos for the first 2 years, and will receive $2 billion during the current 6-year term.

At a meeting to unveil the program, Francisco Labastida Ochoa, secretary of energy, mines and parastatal industry, said that the mining sector has great potential and that it is possible to increase existing reserves over a medium-term period.

The program calls for the export of all surplus materials produced, to keep Mexico among the world's primary producers. We are currently first in the production of silver, fluorite, and arsenic. The program will strengthen the mining sector, along with the rest of the economy; will modernize small and medium-scale mining; and will increase credit programs, permitting the establishment of genuine financial plans. The mining industry will thus be in the black for the first time. So far this year, sales have reached 160 billion pesos, 50 percent of which have been exports. Profits of the parastatal industries reached 3.9 pesos in the first quarter of this year.

Napoleon Gomez Sada, leader of the Trade Union of Miners, was present at the meeting and reaffirmed the ties between the workers' movement and the government. He said that the workers must raise their standard of living in order to increase their productivity.

COSTA RICA

PRESIDENT BLAMES COMMUNISTS FOR BANANA STRIKE

PA181715 San Jose Radio Reloj in Spanish 0100 GMT 17 Aug 84

[Text] A communique issued by the Presidential Palace Press Office and signed by the president has accused the communists of trying to maintain a strike that ended through its own weakness.

The communique states: The communist leadership is trying to maintain a virtual state of subversion in the southern banana region, inciting strikers to carry out attacks and [word indistinct] on workers who want to resume activities. They are promoting actions such as throwing stones at banana farm officials and their houses at the banana plantations, orchestrating all kinds of violations of the laws of the Republic.

The tragic results of this thoughtless, antidemocratic behavior are the senseless death of a citizen and many injuries, as well as the incalculable loss to families, who are experiencing many problems because those involved in the strike are receiving no salary. The instigation and attacks have been led personally by Deputy Freddy Menendez of the communist coalition. These attacks have mainly been against the Civil Guard, a public force sent to the area by the courts.

The president stated that Menendez is trying to use parliamentary immunity to commit crimes and promote violent acts in the country's southern region. He ordered that Menendez be sent to the capital and not allowed to enter the banana region, an area of conflict. As everyone knows, the courts declared the strike illegal, and the nation's Attorney General's Office has been tasked with taking the necessary steps to present formal charges against Menendez for promoting a collective strike, instigation, and mutiny, the communique noted. The president ordered the guard to clear the area of outsiders who have been promoting violation of the law and attacks on the police.

In conclusion, the communique signed by the president reiterated that the authorities have orders to enforce the law, the basis for our peaceful coexistence. Only through law can we guarantee justice and peace in Costa Rica, it said. A team of prosecutors is now in the banana region to handle the cases of those who have been arrested and who will appear before the courts, the Press Office reported.

EL SALVADOR

DUARTE AFFIRMS STATUS OF NICARAGUAN RELATIONS

PA180253 San Salvador EL DIARIO DE HOY in Spanish 16 Aug 84 pp 4, 53

[Text] President Duarte has affirmed that diplomatic relations with Nicaragua will not be broken despite reports that the Sandinists are supporting terrorist groups in El Salvador. Journalists met with the president yesterday after the publication of the text of the Salvadoran Government statement regarding the fact that a document protesting the Sandinist effort to promote violence in the country has been presented to the International Court of Justice at The Hague.

"It is not necessary to break off relations," the president emphasized when asked about the incident.

On Tuesday, Duarte had harshly criticized the Sandinists in his speech before the Assembly, where he reported on his trip to Europe, for publicly supporting of the terrorists who are destroying El Salvador's economy, murdering a large number of people, and who, under the pretext of a supposed "liberation war," are forcing young peasants to support their movement.

The president said that the government's aim in supporting the United States' position at the International Court of Justice is only to "state our position -- what El Salvador is, what it thinks, and what it wants," he stressed. Nicaragua recently presented a complaint to the International Court of Justice stating that the United States directed the mining of Nicaraguan ports. Returning to the topic of El Salvador specifically, Duarte told the journalists who questioned him regarding the constant rumors that the terrorists are planning to launch a new large-scale offensive that the Armed Forces are ready to defend the Salvadoran people.

REPORTAGE ON ARMY-GUERRILLA CLASHES, CASUALTIES

Col Vasconcelos on La Union

PA181216 San Salvador EL MUNDO in Spanish 16 Aug 84 p 3

[Text] Units of Military Detachment No 3 of the Navy and the Salvadoran Air Force have intensified patrolling in southern La Union Department to prevent the possible unloading of weapons for the guerillas, according to a statement for EL MUNDO by Colonel Miguel Alfredo Vasconcelos, commander of this military detachment. In a phone interview, Col Vasconcelos said that residents in southern La Union have reported the unloading of what could be weapons for the leftist rebels in the past few days. The goods are then transported in the direction of Jucuaran and Chirilagua, areas where guerrilla camps are located.

Col Vasconcelos added that "activities will be intensified today to confirm" these actions, since so far we only have reports by residents in the area. Col Vasconcelos also said there was a brief clash with the rebels in this sector last Saturday. He added that the number of guerrilla casualties is not known, while his forces suffered none. In addition, Col Vasconcelos reported that yesterday at approximately 1600 "there was a strong clash" between troops of the Conchagua Battalion and FMLN guerrillas near Anamoros, in northern La Union, which resulted in five rebel deaths and an undetermined number of wounded. The Conchagua Battalion suffered only three wounded soldiers.

Soldier Killed

PA180443 San Salvador Radio Cadena Sonora in Spanish 1530 GMT 17 Aug 84

[Report by Jorge Guadalupe Sorto]

[Excerpts] Dear friends: Here is an exclusive last minute report. The military installations of Detachment No 3 of La Union, located in Santa Rosa de Lima, were attacked early this morning. The action began at 0020 and ended at 0330. Thus far, reports only mention the wounding of two soldiers, one by the name of Jose Raul Benitez. We repeat this last minute report. One soldier was killed in the clash between the Army and guerrillas, but his name has not been disclosed. Two soldiers are missing; one of them is Gerundio Bonilla Martinez, the other one's name has not been reported.

They were all members of the Conchagua Battalion from La Union's Military Detachment No 3. The source said that the guerrillas suffered casualties, but did not specify the number.

In the cross-fire action, guerrillas used 81-mm mortars, bazookas, G-3, M-16, Galil FAL rifles, as well as M-79 hand grenades. It was also reported that the attack took place west of Santa Rosa de Lima in the sector where the ANDA [National Administration of Waterworks and Sewers] tanks are located. The city was not attacked, only the military base of Detachment No 3 which houses at least 150 soldiers of the Conchagua Battalion. Last night's [as heard] attack was immediately replied to with small arms fire and .50 cal machineguns. The body of the dead soldier was transferred in a helicopter which also began a search for the guerrillas, who fled to the northwestern sector of San Miguel City heading from San Sebastian [word indistinct].

Roundup of Events

PA181613 San Salvador Radio Cadena YSU in Spanish 1800 GMT 17 Aug 84

[Text] Clashes between FMLN elements and military troops occurred early today in various parts of the national territory, civilian and military sources have informed this station. At about 0600 this morning, rebel elements ambushed a truck carrying troops from the garrison at El Paraiso, in northern Chalatenango Department. The incident occurred at Km 39 of the Northern Trunk Highway. According to the source, two soldiers were wounded and the rebels sustained several casualties. The source added that the fighting lasted at least 15 minutes and that the appearance of two Army trucks carrying more troops made the insurgents flee.

Meanwhile, the bombings by the Salvadoran Air Force in the last 24 hours against rebel positions on the sides of Guazapa Hill, north of San Salvador, have been described by military sources at routine. From dawn until noon on Thursday, the Army strafed the guerrilla redoubts on Guazapa Hill. The results of these strafings are not yet known. Since the war began 5 years ago, Guzapa Hill has been one of the FMLN's strongest bastions, and also one of the closest to the capital.

Official sources also report that the Army bombed rebel positions in rural sectors in (La Palma), in Chalatenango Department. It has been learned unofficially that two children were killed.

Meanwhile, the Armed Forces have intensified their counterinsurgency operations in the Departments of San Miguel, Usulutan, and La Union, in the east. According to a high-ranking military officer, FMLN forces were gathering along the eastern coasts, allegedly to await some weapons shipments from Nicaragua. The source added that troops have been mobilized in the towns of Chirilagua and Intipuca, where rebel columns were recently discovered.

In Santa Rosa de Lima, armed clashes occurred between the leftist rebels and the military troops, a local civilian source announced today, adding that the clash began early this morning. The source did not disclose the number of casualties sustained by either side.

Meanwhile, the International Court at The Hague confirmed today that El Salvador had requested the rejection of a Nicaraguan claim in a matter between Managua and Washington.

According to a communique released by the secretary of the International Court of Justice, the Salvadoran Government feels that the purpose of its intervention is to obtain admission by the court that it is unqualified to reach a decision concerning Nicaragua's claim. In this regard, the Salvadoran Government made reference to certain multilateral conventions on which Nicaragua bases its claims in its litigation with the United States, The Hauge court secretary said finally.

URIOSTE BLAMES ARMED FORCES FOR 68 DEATHS

PA200355 Hamburg DPA in Spanish 2117 GMT 19 Aug 84

[Text] San Salvador, 19 Aug (DPA) -- Msgr Ricardo Urioste, vicar of the Archbishopric of the capital who replaced Msgr Arturo Rivera y Damas at the Sunday homily in the Salvadoran cathedral, blamed the Armed Forces for killing 68 civilians in operations carried out between 18 and 22 July in the villages of El Cacao, San Antonio, Llanitos, La Priba, Azacualpa, Toruga, and Pepestenango in the northern Department of Chalatenango.

He said that according to data provided by the Legal Assistance Office of the Archbishipric of San Salvador, some of the victims were minors, women, and the elderly, and that it merits "more profound investigations." He added that in the La Palma sector two minors, a 5-year-old and a 14-year-old, were killed as a result of the bombing of Miramundo village.

Also, he continued, one must note the painful death of 13 members of the Armed Forces and the painful death of almost 60 civil defense members some weeks ago in La Libertad Department in the western part of the country at the hands of the guerrillas.

Msgr Ricardo Urioste demanded the release of 13 captured persons, 5 of whom are missing, including William David Ramos Orellana who was kidnapped 2 weeks ago in front of the National Theater. He also mentioned the death of five persons at the hands of the "death squads." Msgr Arturo Rivera y Damas was absent today because he went to La Palma parish in Chalatenango Department, Msgr Ricardo Urioste explained.

GUATEMALA

GUATEMALAN-SPANISH TALKS ON RELATIONS SUSPENDED

LD171938 Madrid in Spanish to Europe 1600 GMT 17 Aug 84

[Text] Spain and Guatemala have agreed to temporarily suspend the talks that they have been having in Bogota with a view to the restoration of diplomatic relations between the two countries. Manuel Garcia Miranda, the Spanish ambassador in Colombia, has said that the talks for the renewal of relations between the two countries are going through a period of consideration. According to sources in the Colombian Ministry of Foreign Affairs, the talks are coming up against the stumbling block of the point concerning the moral and material reparations which the Spanish Government is demanding over the assault on the Spanish Embassy in Guatemala on 31 January 1980.

HONDURAS

FURTHER REPORTAGE ON SUAZO'S CABINET RESHUFFLE

FL170140 Mexico City NOTIMEX in Spanish 2225 GMT 16 Aug 84

[Text] Tegucigalpa, 16 Aug (NOTIMEX) -- It has been confirmed by official sources that Honduran President Roberto Suazo Cordova today requested the resignation of all his cabinet secretaries and the directors and managers of 30 state institutions. By this afternoon, several officials had gone to the seat of government to present their resignations to Suazo Cordova. The announcement made at noon caused a sensation in political circles and in the entire Honduran population. Nevertheless, the Presidency had not yet made official the collective resignation of the cabinet and had not explained the reasons for the decision of the Honduran chief executive.

Most political observers coincided in stating that the president may be attempting to make his cabinet more responsive and, in the 17 months remaining of this term in office, overcome certain deficiencies, especially in economic matters. The decision, announced this morning by sources near the president was immediately supported by the governing Liberal Party. In contrast, the leader of the opposition, Leonidas Rosas, attorney general of the National Party, said the nation is headed for economic chaos and the cabinet reshuffle reflects the failure of the Liberal government.

During the last few days, insistent rumors had been circulating regarding the forced resignations of the secretaries of public health, communications, and finance and public credit. An official spokesman said that, so far, the secretaries of public health, Ruben Garcia Martinez, national defense and public security, Colonel Amilcar Castillo Suazo, and government and justice, Oscar Mejia Arellano, have presented their resignations. He also said that during the next 24 hours the president expects to receive the resignations of the 13 secretaries and more than 20 executives of different decentralized institutions of the Government.

The spokesman said that the Office of the President will soon issue an official communique on the collective resignation. The measure, which coincides with a similar measure taken recently by Costa Rican President Luis Alberto Monge, was described in political circles as unusual and, according to local observers, denotes the desire of the president to remove unpopular persons from his cabinet.

Efrain Diaz, president of the Christian Democratic Party, said that in the opinion of the Honduran people the government of Suazo Cordova had failed more times than it had succeeded but that it is never too late to face up to the problems of the nation. He pointed out that it is very premature to specify the causes of the abrupt reshuffling and said that the cabinet change by itself is not an important element because what the people want is a clear definition of the governmental program.

Deputy Comments

PA171607 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 17 Aug 84

[Christian Democratic Deputy Efrain Diaz Arrivillaga interviewed by reporter Trino Murillo; date and place not given -- recorded]

[Text] [Diaz] What the government needs is a new direction; this is the first requirement. There is a need for a definition of objectives, this definition has been lacking during the almost 3 years in power.

I believe a change of faces is not enough. There must also be changes in economic policy and all aspects of daily life in the country.

[Murillo] Is an [word indistinct] administrative vacuum apparent?

[Diaz] There is no doubt that officials have shown great incompetence in carrying out public administration. This is reflected in the lack of definition in a number of fields and especially in the country's economic policy. We have also noticed duality in the country's foreign and national security policies. Of course this has affected the country's situation. The most pressing problems have not been solved. However, that does not mean that everything is negative. There are some positive aspects, too, but I believe it is important to straighten the country's direction.

[Murillo] U.S. Ambassador Negroponte said that the administration of justice is at a crisis stage in Honduras. He said this is one of the greatest evils here. What do you think about this statement?

[Diaz] Well, I believe this is perhaps one of the fields where more mistakes have been made in public administration. I don't think it is a problem inherent to the current administration. The judicial system must be carefully reviewed and restructured to really ensure the independence of the judicial (?branch), as well as the independence of [words indistinct].

Suazo Still Silent

PA180027 Rome IPS in Spanish 2244 GMT 17 Aug 84

[By Juan Ramon Duran]

[Excerpt] Tegucigalpa, 17 Aug (IPS) -- For the second consecutive day Honduran President Roberto Suazo Cordova remained silent regarding the reasons that led him to ask for his cabinet secretaries resignations yesterday or how he plans to solve the crisis.

The presidential information office was also silent. The cabinet secretaries confirmed that they and more than 20 directors of government agencies had been asked to resign.

The only official report was issued by Government Minister Oscar Mejia who said that the president had ordered him to ask the cabinet secretaries, deputy secretaries, and directors, presidents and managers of state autonomous institutions to present their resignations.

Announcement on 1 September

PA181313 Tegucigalpa Cadena Audio Video in Spanish 1208 GMT 18 Aug 84

[Text] The president and officials of the Liberal Party of Honduras are analyzing jointly possible changes in the cabinet. According to official spokesmen, the new cabinet will be announced over a national radio and television network on 1 September.

GOVERNMENT REFUTES SPANISH NEWSPAPER CHARGE

PA171739 Tegucigalpa Domestic Service in Spanish 1130 GMT 17 Aug 84

[Directorate of International Information Communique issued in Tegucigalpa on 17 August -- read by announcer]

[Text] In view of a false report published today by LA VANGUARDIA newspaper, which is published in Barcelona, Spain, and distributed internationally by the EFE news agency, the Honduran Government wishes to clarify that:

1. The charge that national Army troops killed Spanish citizen Helisenda Portabella after she was wounded amid allegations that she was a terrorist is absolutely false.

2. According to information in the computerized registration system of the Directorate of Population and Immigration Policy, Miss Portabella entered Honduras from Guatemala through the Toncontin customs post on 26 April 1983 and left Honduras for El Salvador through the (El Poi) customs post on 14 June 1983. Her involvement on 2 June 1984 in ranks of a subversive group in the country was completely illegal, because there is no record of her returning to Honduras through any of the air or ground customs posts.

3. Contrary to statements by LA VANGUARDIA, Miss Portabella was indeed a member of an armed group. That group, upon being ordered to stop by a Honduran military patrol on national territory, fired indiscriminately on the troops. The soldiers fired back, and several casualties resulted. During combing of the area the following day, the Spanish physician's body was found.

4. As for the claim that Dr Portabella was a volunteer in refugee camps, the local office of the UN High Commissioner for refugees, UNHCR, reported a few days after the incident that the late Spanish woman had no ties with that humanitarian organization whatsoever at that time.

5. Finally, it is absolutely false that the Army and security forces carry out kidnappings and murders or that they are responsible for disappearances. The OAS Inter-American Commission on Human Rights, as well as national and international newsmen living here, can attest to the climate of freedom and peace enjoyed in Honduras. This situation is radically different from that prevailing in countries such as Cuba and Nicaragua. The Barcelona newspaper clearly and notoriously identifies with those governments.

NICARAGUA

'FACE THE PEOPLE' INTERVIEWS JUNTA LEADERS

PA181547 Managua Domestic Service in Spanish 0043 GMT 18 Aug 84

[Commander of the Revolution Daniel Ortega Saavedra, coordinator of the Junta of the Government of National Reconstruction; Sergio Ramirez Mercado, member of the Junta of the Government of National Reconstruction; Transportation Minister Carlos Zarruk, and Housing Minister Miguel Ernesto Vigil, interviewed on the "Face the Nation" program at the Jorge Sinforoso Bravo Plaza in Managua's Esquipulas neighborhood -- live]

[Excerpts] [Ortega] I want to apologize on behalf of Companero Rafael Cordova Rivas.

He wanted to be (?here), but he had to go to Ocotal to attend the 9th day mass for Sandinist People's Army [EPS] Captain Reinero Tijerino, one of our most distinguished fighters, who was killed recently in a clash with mercenary forces on the border with Honduras.

Tonight, we have here a large number of, if not the majority of, Nicaragua's ambassadors. We have here companeros who represent Nicaragua in Central America, South America, and Europe, as well as representatives to the United Nations and other international organizations. We have here ambassadors to far away countries including the ambassador to one of the farthest away, Japan. Companero [Jorge] Huezo, our ambassador to Japan, is here.

The Nicaraguan foreign service has been involved in the struggle for peace in Nicaragua. The work of the foreign service for Nicaraguan peace consists of reporting the truth of the revolution to other countries, because the United States is spreading false reports and is slandering the Nicaraguan revolution, saying that religious persecution exists here, as well as many other lies.

The foreign service also plays an important role in the effort to obtain resources for Nicaragua. It helps in obtaining loans, credits, and donations. Nicaragua has received great international cooperation. This cooperation has been very generous and pluralistic. Countries with different ideologies and political natures have helped Nicaragua.

We were explaining that the complementary tasks to achieve peace include the negotiations which we have been supporting and following within the Contadora Group and those which are being carried out with the United States in Manzanillo. Several meetings have been held. Another meeting concluded yesterday between Nicaraguan representative Companero Victor Hugo Tinoco, the deputy foreign minister, and Harry Shlaudeman, the U.S. representative.

They met again, talked, and touched on every topic because Nicaragua is truly interested in peace. It has presented specific proposals to the United States, and we are testing the good faith [of the United States] to find a peaceful solution to these problems. We are not disclosing details of these talks to the Nicaraguan people, who will be the first to learn these details, because we agreed with the United States not to disclose any details so as not to affect this negotiation effort. Meanwhile, we must continue to strengthen defense because the aggression does not stop while we are negotiating. It hasn't stopped. On the contrary, it has increased. There are U.S. warships off our coasts. There are threats aganst Nicaragua which we have been reporting recently. These threats include spreading the idea that the electoral process is not backed by the people in Nicaragua. It is being said that our people are not participating in it.

In addition, it is being charged that there are Soviet bases in Nicaragua. This is completely false, but this is being said by U.S. leaders. Other accusations are being made of Nicaraguan involvement in drug trafficking. Attempts are also being made to present the building of an airport as a great mystery. The construction of this airport was reported to local and foreign newsmen yesterday. The Americans are trying to give a mysterious connotation to this to justify a subsequent aggression against Nicaragua.

Therefore we cannot rule out, despite the talks with the United States and the efforts of the Contadora Group, an eventual U.S. intervention -- a U.S. bombing and attack on Nicaragua.

For this reason, we say that defense continues to be the top priority of Nicaraguans. After all these reflections, let's hear what you have to say. You probably have many questions to ask about local and national problems.

[Garcia Alvarez] Members of the Junta of the Government of National Reconstruction and of the FSLN: My name is Julio Cesar Garcia Alvarez. Commander of the Revolution, please explain to us the concern represented by the parties supporting the Nicaraguan Coordinating Board. What kind of problem do they represent for our revolution's electoral process? [applause]

[Ramirez Mercado] Seven political parties registered for the elections under the climate of guarantees: the Democratic Conservative Party of Nicaragua [PCDN], the Independent Liberal Party, the Communist Party of Nicaragua, the Popular Social Christian Party, and others, which together with the FSLN represent different sectors of opinion and social groups of Nicaragua. They are airing and conducting their propaganda with full guarantees for all. I was just telling Commander Ortega today about a PCDN advertisement which begins with shouts of "Viva Chamorro." [laughter from crowd] Well, this comes under our guarantee that everyone can say what they want in the electoral campaign. Seven parties registered, but three parties refused to register, and as a part of an international maneuver to discredit these elections it is being said abroad that if these three parties don't register, the elections are not valid. It is being said they did not register because there were no guarantees and no electoral climate here. Therefore, since they did not register, these elections have no value and are not legitimate. Thus, this opens the door for the allegation that a military aggression must be carried out because there are no political guarantees here.

Another problem is that for some of these parties or political groups which do not want to participate, the only political force they have is nonparticipation. This is their only political force, because if they participate in the elections they have to test their force and they might not get any votes. This is a risk in an election in which the votes will be counted honestly, as will be the case here. If a party does not want to participate, it is because it doesn't have the people's support. It seeks only the Yankees' support to try to change the revolutionary government through an armed struggle, and this, as we all know, is more than difficult. [applause]

[Ortega] Since the triumph of the revolution there has not been, and there will never be, religious persecution. So long as there is revolution, there will be religious freedom. Anyone who wants to practice the Catholic, Evangelical, or any other religon can do so.

The problem we are facing is a lack of understanding on the part of certain members of the church hierarchy with regard to this revolutionary process. There are certain priests who, instead of siding with the people, are against them. They are doing so in political terms. We are involved in a political and military struggle agianst the United States.

(?Although they have not) declared war, the people are being attacked by the United States, and the Nicaraguan people are defending themselves from this aggression. Therefore Nicaraguans, regardless of their religious or social sector -- whether they are workers, students, intellectuals, or businessmen -- if they are true Nicaraguans, must close ranks and fight this aggression to find peace for all Nicaraguan people.

Certain members of the Catholic hierarchy and certain priests, instead of promoting unity in the country and helping to strengthen this unity and fighting for peace, are playing the game of the enemies of the Nicaraguan people.

No one is stopped from going to mass. Anyone has the right to go to church. The problem arises when a priest in the church begins attacking the revolution, when he did not say anything in Somoza's times. There is even the case of certain priests who were Somozists and are enemies of the revolution, preaching against the revolution. Therefore they are not acting as Christians. They are not fulfilling their pastoral duties.

ORTEGA ON GONZALEZ-PASTORA MEETING IN MADRID

PA191702 Panama City ACAN in Spanish 0321 GMT 19 Aug 84

[Text] Managua, 18 Aug (ACAN-EFE) -- Sandinist leader Daniel Ortega said today that he "hopes" the recent meeting between Spanish Prime Minister Felipe Gonzalez and Eden Pastora (Commander Cero) "does not affect relations between Nicaragua and Spain. Commander Cero recently visited Spain and was received in Madrid by Gonzalez, in his role as secretary general of the Spanish Socialist Workers' Party (PSOE) rather than as chief of the Spanish Government.

When journalists asked him to comment on this meeting, Ortega answered that the Spanish prime minister "has already given explanations."

"Pastora is a criminal dedicated to killing the Nicaraguan people and serves the United States," Ortega added. He stressed later that several campaigns have been launched against Nicaragua in Spain, where efforts have been made to link the Central American country with organizations like the ETA [Basque Fatherland and Liberty].

"A great fuss was made in Spain over the matter of the ETA; I do not know what fuss has been made now over Pastora's visit," the Nicaraguan junta coordinator stated.

"In any event, Nicaragua respects each country's integrity and does not interfere with the domestic affairs of other nations," he added. Tonight Ortega is in Chontales Department, continuing his electoral campaign as the FSLN's presidential candidate.

ORTEGA VIEWS U.S. AGGRESSION, IMPORTANT TASKS

PA200048 Managua Radio Sandino in Spanish 1300 GMT 19 Aug 84

[Text] If the Reagan administration decides on direct intervention in Nicaragua, it will have a regional war on its hands because the Central American people will rise against the imperialist aggression and it will not be long before the United States will not only have to accept the revolutionary victories of Nicaragua and El Salvador, but also those of the rest of Central America.

Daniel Ortega Saavedra, commander of the revolution, coordinator of the Junta of the Government of National Reconstruction and FSLN presidential candidate, made these remarks yesterday during a news conference held after completing a tour of Chontales Department.

Commander Ortega was interviewed by local and foreign newsmen.

The portion of the news conference in which Commander Ortega answered our reporter's questions follows:

[Begin recording] [Unidentified reporter] How is the country militarily and have aggressions increased?

[Ortega] Sometimes the aggressions are intense and sometimes they are less severe. However, the United States is constantly attacking us. This has forced us to make big efforts to counteract the aggressions. We managed to control the most recent aggression. Counterrevolutionary activities have not been as active as they were a few months ago. We have learned that a new offensive is under way. The Piranha boats attacks [words indistinct] with attacks on our positions in the area of Potosi. The incursions from Honduran territory have continued and so have the U.S. Air Force espionage operations over Nicaraguan territory to assist the counterrevolutionary forces in their aggressions. The Nicaraguan Democratic Force, FDN, has announced through Adolfo Calero Portocarrero that a huge offensive will be launched against the Sandinist revolution in September.

[Reporter] Are the Nicaraguan people and the Sandinist People's Army, EPS, prepared to face the offensive that Calero has announced for September?

[Ortega] The people have already begun to take the necessary defense measures. They are joining the reserve battalions and the Patriotic Militay Service battalions and are actually undergoing combat training. The people will even sacrifice production. There are independent producers and rural workers who have formed their own battalions for the country's defense and who are prepared to face and defeat the mercenary forces that the United States is sending to attack us.

[Reporter] Not long ago you mentioned three important tasks of the revolution: the military defense, production and supply, and the institutionalization of the revolution. Can you tell us more about these tasks?

[Ortega] First, comes the military defense of the revolution. Our enemies are stationed in Honduran territory where the United States is establishing military bases from which it can invade Nicaragua. It is also trying to do the same in Costa Rica. Therefore, we must maintain a defense line all along the borders. We will defend our country from our own territory. We will not go beyond our borders. We will not trespass into Honduran territory. Of course, if we are attacked we will be forced to answer the enemy wherever he is. The military task is definitely our fundamental operation. We must let the U.S. Government know that it cannot defeat the Nicaraguan people militarily. We have a formidable defense line. It is a steel cordon composed of thousands of EPS members who are repelling the mercenary forces along the border zone which permits the country to keep working with enthusiasm and under normal conditions. The factories in the cities are operating and in the rural areas productivity is sustained. Despite the most adverse conditions, we are fulfilling our production programs. Of course, there are economic problems which are beyond the material capacity of the Nicaraguan revolutionary government. For instance, the international economic trends [words indistinct] the costs for Nicaragua. All this makes things more difficult and forces us to work harder to increase production and supply. We must produce so that we can supply goods to the people and to our soldiers. The institutionalization of the revolution will be advanced with the electoral process which is very important to defend the revolution and for Nicaragua to remain free.

[Reporter] The newspaper LA PRENSA carried an item which stated that Nicaragua is standing in the way of the Contadora Group efforts.

What does the revolutionary government have to say about this?

[Ortega] The Contadora Group can give you a better answer. On several occasions it has mentioned Nicaragua's support and positive attitude toward its efforts. [end recording]

ORTEGA ON RELATIONS WITH CHURCH, CDN VIEWS

PA192019 Managua Radio Sandino in Spanish 1300 GMT 19 Aug 84

[Text] Commander of the Revolution Daniel Ortega Saavedra, coordinator of the government junta, said yesterday that the revolutionary government has talked to Catholic Church authorities about the need to establish a dialogue to resolve some of the problems caused by church leaders who politically confront the revolution. The FSLN's presidential candidate added that in this regard the Vatican should make efforts to help alleviate the friction between the revolution and some priests.

Concerning the new views expounded by the Ramiro Sacasa Democratic Coordinating Board [CDN] on being able to register, Commander Ortega said that it is up to the Supreme Electoral Council to decide the legal status of the groups comprising that alliance. According to Ortega Saavedra, the CDN has interpreted the revolution's flexibility as a sign of weakness rather than a mature action. For this reason, the Government of National Reconstruction will not play along in the political game of these groups, which are directed from the White House. The Sandinist leader stressed that the revolutionary government will continue to hold dialogues with the legally registered political parties.

FERNANDO CARDENAL DENIES RECEIVING ULTIMATUM

PA191616 Managua International Service in Spanish 0000 GMT 19 Aug 84

[Text] In an interview in Panama City, Fernando Cardenal, a Jesuit priest and Nicaraguan education minister, has said that he is sure the church will make an exception and permit priests to continue to hold public posts in light of the situation of emergency in Nicaragua. He said that since 1981 priests holding positions of responsibility in the government ministries have had the authorization of the Nicaraguan Episcopal Conference. He said that to date he has not been advised of an ultimatum to resign from his public post. He added: If the Catholic hierarchy adopts a peremptory attitude, we will hold a dialogue and I am sure that we will reach an agreement.

RAFAEL SOLIS COMMENTS ON TALKS WITH U.S.

FL181119 Mexico City NOTIMEX in Spanish 2227 GMT 17 Aug 84

[Text] Mexico City, 17 Aug (NOTIMEX) -- An invasion of Nicaragua by U.S. military forces cannot be ruled out despite ongoing diplomatic talks between the two sides, Sandinist Commander Rafael Solis stressed today. During a press conference, the secretary of that country's Council of State said the meetings held by Harry Shlaudeman, U.S. special envoy for Central America, and Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco should be no obstacle to denouncing U.S. support for the counterrevolution.

The talks, which have taken place four times since 25 June in Manzanillo, Colima, and Atlanta are being taken seriously and given full consideration by the Sandinist authorities, Solis stated.

He said he did not know if the talks, whose fourth round concluded yesterday in Colima, are being used by U.S. President Ronald Reagan for electoral purposes. The U.S. elections will be held on 4 November, as in Nicaragua.

He indicated that the main topics of the conversations are U.S.-Nicaraguan relations, Nicaraguan relations with socialist countries, Nicaragua's Army, and its domestic policies with respect to human rights. Solis referred to his country's elections, noting that the government junta does not intend to disrupt the electoral process which is why it supports its infrastructure in juridical matters as well as other factors. (?With respect to other topics discussed), he stressed that the junta is not lying, above all, when it asks for the participation in the elections of representatives of such elements as those acting militarily against the Sandinist government.

Solis explained that the junta, in an effort to guarantee the smooth development of the electoral process, has partially repealed laws which were an obstacle to the work of the candidate, has partially eliminated the state of national emergency, and has reinstated freedom of expression, except in military matters. The first secretary of the Council of State noted that in Nicaragua, where there are continued attacks against national security, the two priority tasks at this time are defense and the elections. Commander Solis justified the construction of a military airport to the north of Managua by noting that Guatemala, El Salvador, and Honduras have larger forces. We have the right to purchase new aircraft so that the Air Force may be able to safeguard minimum guarantees, he said.

REPORTAGE ON 'ARRIVAL' OF MIG AIRCRAFT

FAS Commander

PA181225 Managua Domestic Service in Spanish 0300 GMT 17 Aug 84

[Text] Guerilla Commander Raul Vernerio, commander of the Sandinist Air Force, FAS, today said to national and international news media: As commander of the FAS, I hope that combat airplanes do arrive in Nicaragua.

This statement was issued during Commander Venerio's inspection visit -- along with Construction Minister Mauricio Valenzuela and Transportation Minister Carlos Zarruk -- to the Carlos Ulloa Airport, which is currently under construction.

The Defense, Construction, and Transportation Ministries have been in charge of the project since 1982; it is expected that work will be completed by 1986. So far, 2,200 feet of landing strip is complete, and it can be used with an emergency control tower, independent of its future use. Within the framework of the ministers' visit, national and international journalists asked FAS Commander Venerio about the possible arrival of combat airplanes in Nicaragua. He replied as follows:

[Begin recording] [Venerio] We already have combat airplanes. Although we have a modest Air Force, we have some combat techniques in Nicaragua.

[Unidentified reporter] I believe that Commander Daniel Ortega said that there were plans to bring Soviet jet fighters to another communist country, from where they would be brought here. It was said that MIG jet fighters would be brought from the Soviet Union [words indistinct].

[Venerio] Let met put it this way. First of all, it is our duty to defend our homeland and our revolution. As commander of the FAS, I hope that combat airplanes do arrive.

[Reporter] [Words indistinct] short term?

[Venerio] Well, that depends on the revolutionary government's contacts. [end recording]

Defense Ministry

PA181926 Buenos Aires LATIN in Spanish 1830 GMT 18 Aug 84

[Text] Managua, 18 Aug (LATIN-REUTER) -- The Nicaraguan Defense Ministry today denied rebel reports that Soviet MIG fighters had arrived in the country.

The rebel radio of the Democratic Revolutionary Alliance (ARDE), based in Costa Rica, reported last night that the MIG's had been brought disassembled to Nicaragua aboard Cuban cargo aircraft and were being assembled in the new airport of Punta Huete by Bulgarian pilots, who would fly them.

A Defense Ministry spokesman, however, denied the report and said that the new landing strip in Punta Huete, 22 km north of Managua, is still under construction and that the airport, which will have been completed by 1987, does not have military facilities.

He also denied press reports that the government had admitted having ordered the MIG fighters. The source added that what the government had said was that Nicaragua had the necessity and duty to defend itself and required aircraft such as MIG's, Mirages, or any other kind.

REPORTAGE ON CUBAN, SOVIET ASSISTANCE FOR AIRPORT

Air Force Chief Comments

PA190405 Paris AFP in English 2236 GMT 19 Aug 84

[Text] Managua -- "Cuban engineers" are helping to build Nicaragua's big military airport near here, Air Force Chief Raul Venero said in a statement published in the official organ of the governing Sandinist Front. But he said that "the majority" of workers on the project were Nicaraguan and he described as "absurd" a U.S. State Department statement that the airfield's capabilities appeared to threaten Nicaragua's neighbors more than anti-government guerrillas.

Solis Cerda on Cooperation

PA181846 Hamburg DPA in Spanish 0426 GMT 18 Aug 84

[Text] Mexico City, 17 Aug (DPA) -- Sandinist Commander Rafael Solis Cerda, first secretary of the Nicaraguan State Council, acknowledged the possibility of Cuban and Soviet cooperation in the construction of the new Carlos Ulloa military airport and in the supplying of oil to his country.

"With regard to the airport, I do not know if there was Cuban or Soviet aid," Solis said at a news conference in Mexico City. However, he added, "it would not be unusual," and would be similar to the assistance Cuba has provided to build the Atlantic highway or to repair bridges.

Solis Cerda justified the construction of the airport on Nicaragua's need for an alternative to the Managua airport, which is being used for both civilian and military purposes. At any rate, he said, the construction of the airport, 65 km from Managua, "should not be cause for alarm, since Honduras, Guatemala, and El Salvador have more than one military airport." Solis also said that government junta Coordinator Commander Daniel Ortega, during his recent trip to the Soviet Union and other Eastern countries, sought to find "alternative oil sources" in order to meet an eventual "emergency situation" caused by war.

However, Solis could not confirm if the USSR had formalized that cooperation or if the volume of crude to be delivered would be greater than that supplied by Mexico. According to THE WASHINGTON POST, the USSR has replaced Mexico as Nicaragua's chief oil supplier. During the first half of 1984, the USSR supplied Nicaragua with over 500,000 barrels, compared to the 484,000 barrels supplied by Mexico.

Solis added that, despite this, the aid from the USSR, Cuba, and other socialist states represents only 14 percent of Nicaragua's foreign trade. "More than 80 percent of Nicaraguan trade depends on Western European and Latin American countries and multilateral organizations," Solis added. Asked about the fourth round of talks in Manzanillo, which ended yesterday, he attributed Nicaraguan and U.S. reservations to the existing "delicate state" of the relations between the two countries and to an agreement by both sides to remain silent on the issues considered.

He added: "There is a whole period of reaching an agreement on procedural aspects." The first four rounds of talks involved these aspects. Later, the negotiators will thoroughly analyze the issues and will "probably" report on their progress.

Solis said that "time will tell" if the Reagan administration agreed to hold a dialogue with Nicaragua as part of a political ploy, but the Sandinist government feels that the talks had to be treated with "utmost seriousness."

The Sandinist leader concluded by saying: "We have the best disposition to continue the talks. We believe that we must exhaust every effort for peace. Despite being the victims of aggression, we believe we must keep open the path for dialogue."

WORKERS SEIZE CUS HEADQUARTERS IN MANAGUA

PA200056 Managua Radio Sandino in Spanish 1300 GMT 19 Aug 84

[Text] Workers from the western part of the country came to Managua and seized the headquarters of the Confederation for Trade Union Unity, CUS. According to reports, members of trade unions from the western part of the country arrived in Managua at midnight yesterday to demand that CUS directors disassociate their organization from the Ramiro Sacasa Guerrero Democratic Coordinating Board. The workers said that they do not wish to be associated with Nicaraguan reactionary rightist sectors. CUS leader Jose Espinosa, who talked to the demonstrators, could not prevent them from seizing CUS headquarters. Thus far, CUS directors have not made a decision.

CLASHES WITH COUNTERREVOLUTIONARIES REPORTED

160 Contras Killed

PA181858 Managua Domestic Service in Spanish 0300 GMT 18 Aug 84

[Excerpt] During a press conference Commander Javier Carrion, 3d Military Region chief, reported that more than 160 Somozist counterrevolutionaries were killed during the month of August. Here is a report by our special correspondent in Matagalpa, Mario Mairena:

[Begin Mairena recording] The Sandinist People's Army has continued to confront a considerable number of mercenaries, members of the so-called regional commands who come from Honduras. It has been reported that 38 clashes occurred during the first 2 weeks of August alone. In these clashes unconventional warfare battalions Santos Lopez, Simon Mejia, Fernando Barez, Francisco Estrada, and Miguel Angel Ortega participated, Carrion reported.

Carrion added that counterrevolutionaries try to repeat strategies used over the past 2 months. To this end the Nicarao Task Force, headed by Trigrillo, entered from Honduras north of Nueva Segovia and sustained about 40 dead and 50 wounded. Carrion also said that regional commands Diriagen and Fidel Salazar, operating in the north of Jinotega and Rio Blanco, the latter being in Matagalpa epartment, have suffered 80 casualties. [end recording]

Fighting in Waslala Region

PA181833 Managua Radio Sandino Network in Spanish 1200 GMT 18 Aug 84

[Text] After 3 days of violent fighting, Sandino's youths who make up the recently formed Miguel Angel Ortez Battalion dealt a harsh blow to a counterrevolutionary force of 600 beats, killing 35 of them and wounding an undetermined number. The scenes of 3 days of heavy fighting on Monday, Tuesday, and Wednesday, were (Delantin) and (Chiwasda) in Waslala jurisdiction, where this new group of Sandinist People's Army fighters showed their audacity, courage, and decisiveness. A total of 600 criminals financed and trained by the Reagan government through the CIA were dislodged, with bullets, from the strategic positions they occupied in these Waslala areas. They fled to the mountains when they could no longer face the military initiative of the young soldiers of the Miguel Angel Ortez Battalion.

It must be stressed that this was the first military operation carried out jointly with companies of the unconventional warfare battalion. Synchronization and coordination were observed in the compliance with orders and in the exchange of views between the commanders and the troops.

The counterrevolutionary forces, members of the so-called Jorge Salazar Regional Command, were headed by Dumas, El Toro, and El Coyote, criminals who put up strong resistance to the Sandinist drive. The Sandinist Air Force had to intervene to weaken their positions and open the path for the Miguel Angel Ortez Battalion. Captain Mario Bolanos Cuevas, battalion commander, and Lieutenant Juan Jose Sevilla, group leader, who were in charge of this military operation, told our war correspondent Marco Tulio Valle that they were very pleased with the discipline and courage of Sandino's youths, who showed their nerve despite the fact that this was their first experience in battle. They did not hesitate a second after the order to launch the attack was given.

The Sandinist troops had to lament the heroic death of Teodoro Braulio Rivera of El Rama, as well as the wounding of 14 soldiers, who refused to be evacuated from the battlefield until the people's enemies were defeated and forced to flee.

After a search of the area, the EPS troops discovered common graves where many bodies were found. They also found traces of blood in the dense jungle of that region, indicating that contras who fled were wounded by the revolutionary fire.

VOICE OF SANDINO CLAIMS MIG'S HAVE ARRIVED

PA180238 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2300 GMT 17 Aug 84

[Text] The nine communists who are mismanaging our country have almost finished the airport at Punta Huete. The MIG aircraft that the puppet Daniel Ortega asked his Soviet masters for during his recent visit to his motherland, Russia, will land on that strip.

Cubans and Libyans built this airport with the Nicaraguan people's money. Bulgarian pilots will fly these planes. The actions of the nine Stalinists' genocidal Air Force will always be lethal to our people because the nine anti-people, like Somoza, are willing to indiscriminately bomb civilian targets.

This airstrip is also a danger to our northern and southern neighbors. The MIG's arrived unassembled aboard Cubana de Aviacion planes and were received by Cuban mercenaries at the Augusto Cesar Sandino Airport. They were subsequently taken to Punta Huete, where their Bulgarian pilots are putting them together.

In Nicaragua there is no medicine for our children, but there are all kinds of weapons with which to murder our people. There are no Nicaraguan professionals left in Nicaragua because they have all been compelled to leave the country. Instead, there are Libyian, Cuban, Soviet, and Bulgarian mercenaries who murder the Nicaraguan people.

VOICE OF SANDINO ON PEACE EFFORTS CONDITIONS

PA181645 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2300 GMT 17 Aug 84

[Station commentary]

[Text] Once more our people and democratic friends in the world have within their reach additional proof of Commander Eden Pastora's willingness for dialogue and rejection of military actions as a solution to our domestic problems. Deliberately, and interpreting the wishes of all of us fighting in these mountains, the armed people, our Commander Pastora has placed his confidence in Dr Arturo Cruz' political efforts for peace. All of us are willing even to forego the dialogue we have demanded with the FSLN as an essential prerequisite to reach agreements leading to truly free, deomcratic elections, provided a dialogue with Dr Cruz and the Ramiro Sacasa Guerrero Democratic Coordinating Board is held first and consideration is given to other conditions to be discussed, clearly announced publicly in their entirety by Dr Cruz, Alfredo Cesar, and Pastora in the United States so that military actions can be suspended and a political solution attained in Nicaragua.

Obviously, should these new circumstances be rejected by the Managua misgovernment, this rejection would identify them as the most odious, warmongering people to reach power in a Central American nation. These new circumstances can bring about speculations tending to confuse our people. For this reason, we deem it important to point out, in the framework of military operations, that we trust in and agree with Dr Cruz and the Coordinating Board in their efforts for a dialogue. We certainly support these efforts.

But this in no way means that our military actions are to be suspended, before or during the dialogue, because it would be naive to relinquish war while the FSLN talks and mercenary forces act in positions besieged or liberated by fighters under Commander Pastora's leadership. So, we again reiterate that we will abandon this struggle only when conditions are established to guarantee elections in liberty, that is, when the remaining topics of our proposal to achieve peace and suspend war are enforced.

Since Dr Cruz is involved in the effort for dialogue, we do not deem it important for the rest of us to participate in it. It is important, however, to have the conditions of freedom we demand for the achievement of peace.

Without totalitarianism or return to the past!

VOICE OF SANDINO REPORTS ARDE WAR BULLETIN

PA181404 (Clandestine) Voice of Sandino in Spanish to Nicaragua 2300 GMT 17 Aug 84

[General Command of the Revolutionary Alliance, ARDE, Armed Forces War Bulletin No 296 released in Sarapiqui "Free Territory of Nicaragua," on 17 August]

[Text] The General Command of the ARDE armed forces reports to the Nicaraguan people and the world's friendly peoples.

1. At 1000 on 4 August, the Jacinto Fernandez Platoon of the Juan Alberto Zelaya Zelaya Column of the Indio Command, led by Chacal, attacked the interventionist enemy at a place known as (Piedra Pote), Rio Rama jurisdiction.

2. In this fighting, the troops of the pro-Soviet EPS Sandinist People's Army sustained 18 casualties, 8 dead and 10 wounded. This clash lasted 1 hour.

3. We suffered no casualties. Our Sandinist revolutionary forces continue their unstoppable advance toward central and northern Nicaragua with high morale and a fighting spirit that has reached its pinnacle. Our forces are headed militarily and politically by our commander in chief Eden Pastora Gomez.

Without totalitarianism or a return to the past! [Signed] Eden Pastora Gomez, General Commander of ARDE's Armed Forces

COMMENTARY ON ARMS RACE, RESUMPTION OF TALKS

PA191948 Havana International Service in Spanish 0000 GMT 19 Aug 84

["World Events" commentary]

[Text] U.S. President Ronald Reagan recently alarmed the international public and the American people by making a statement that openly reveals the views of the man in charge of U.S. policy and of deciding the course of events in that country. In announcing the beginning of a bombing of the Soviet Union -- supposedly in a jocular tone -- the U.S. President openly expressed an idea that has obsessed him for a long time: dealing the first nuclear blow to vital Soviet centers, thus preventing the possibility of a Soviet response. If the leaders of the Pentagon and the White House were sure they could stage such a trial surprise attack without risk. they would not hesitate to take such a step.

History confirms this: The United States was the first country to develop nuclear weapons and the only one to use them against mankind. More than 300,000 human lives were wiped out by the atomic bombs that President Harry Truman ordered dropped on Hiroshima and Nagasaki in 1945. On that occasion, the then U.S. President argued: Surely this will provide us with a good stick against the Russians.

As owner of an atomic monopoly, Washington designed various plans intended to deal nuclear blow to the Soviet Union. For its part, in 1946 the Soviet Union proposed an international convention to ban the manufacture and storage of nuclear weapons and the destruction of those already in existence. But the United States rejected this proposal, hoping to achieve without risk its political and military goal of destroying the Soviet Union. This possibility had to be discarded when in 1949 the Soviet Union manufactured its own atomic bomb, thus breaking the U.S. nuclear monopoly. Since then, U.S. leaders have intensified their efforts to take the lead, launching a continuous, uncontrolled arms race.

The United States has tried to achieve superiority by manufacturing strategic superbombers, multiple warheads, the neutron bomb, and Trident submarines and by installing cruise and Pershing II missiles in Western Europe. The Pentagon's most recent strategy for successfully waging a nuclear war against the Soviet Union calls for the militarization of outer space.

Fortunately, ever since the Soviet Union managed to establish military balance with the United States in the early 1970's, mankind has been able to live in a period of relative peace. However, the people's security is threatened by the foolishness of those in Washington who dream of destroying the country where workers' and peasants' power was first established.

During the last 30 years, the Soviet Union has made over 100 proposals to eradicate the threat of war, but none of them has been accepted by the United States, since the U.S. leaders persist in their efforts to achieve supremacy in order to wipe the socialist system of production from the face of the earth.

The arms limitations talks were suspended because the United States began installing 572 new nuclear missiles in Western Europe so as to negotiate from a position of force with the Soviet Union. This measure not only foiled the negotiations but generated a suitable Soviet reponse.

However, it is still possible to put an end to the arms race if President Reagan abandons his absurd and criminal dreams of destroying the Soviet Union and eliminates the obstacle posed by the installation of U.S. missiles in Europe. That step would eliminate the need for Soviet countermeasures and would open the path to mutually acceptable agreements.

COMMENTARY ON INVASION DEFENSE PREPAREDNESS

PA181739 Havana International Service in Spanish 0000 GMT 18 Aug 84

[Station commentary]

[Text] In the face of the obvious aggressiveness of the imperialist enemy, plans have been drafted for reactions to every form of aggression that our country might suffer. Let's discuss this topic:

Many politicians of this hemisphere, and even of the United States, are convinced that in the event of a direct attack on Cuba, U.S. casualties would be nnumerous, larger than those of World War II or Vietnam. Most of them opine that an armed invasion of Cuba would not defeat the Cuban revolution.

Realistic politicians on the Latin American continent such as former Costa Rican President Jose Figueres, summed up the idea as follows: An invasion of Cuba would result in a bloodbath, because the Cubans, headed by Fidel Castro, will fight the aggressor to the final consequence.

On 26 July the top Cuban leader referred to this topic and recalled: From the outset of our revolution we have been the target of blockades, threats, aggression, sabotage, counterrevolutionary bands, and mercenary invasions. We cannot forget that attempts to kill revolutionary leaders were made repeatedly, violating basic rules of international law and moral standards. All this, he stressed, has been and will be futile.

Fidel then added: It is not easy for a small country such as ours to face such a powerful and aggressive neighbor. But neither is it easy for this powerful enemy to fight a small but courageous, intelligent, proud, and united people such as ours.

The senseless Washington policy, the top Cuban leader noted, must change, and many conscientious Americans agree. The truth is that, almost 4 years after President Ronald Reagan moved into the White House, Cuba is militarily stronger and is involved in systematic preparations to face an eventual direct U.S. aggression.

On 26 July 1983, Fidel Castro said that in view of the obvious aggressiveness of the imperialist enemy, Cuba would train 100,000 more citizens as militiamen. One year later, this goal was met. We now have 500,000 additional combatants and the weapons to equip them. Thousands of military cadres have been trained and continue to train.

The total number of territorial militia troops, (?including) reserves, amounts to approximately 1.2 million men and women. In addition, ideas and concepts about the country's defense and the people's struggle in the event of a war are being applied.

Every inch of our territory has been studied. Every province, municipality, and corner of the country already has its assigned mission. Careful plans have been made on what should be done in the face of each of the variants of an aggression which our country might suffer.

The possibility of a second presidential term by the current U.S. President increases the chances of a direct attack on Cuba, with even the use of Yankee troops. For this reason, we are preparing our defense and to make the invaders bite the dust of defeat.

The United States must not forget the Vietnam experience, where it deployed 500,000 men and lost 56,000 soldiers, while 300,000 more were wounded and were finally defeated. However, the Reagan administration -- and Reagan himself hysterically boasted about this in a recent July speech -- intends to show that its victory on the small island of Grenada has rescued the honor and morale of the Americans.

Thus, with chauvinist remarks, Reagan and his advisers are trying to earn the support of the U.S. public for new acts of war. For this reason, Cuba is preparing. For this reason, we had to devote 18,000 men and 3,500 machines to building fortifications throughout the country, using 15 percent of the prefabricated concrete we produce.

Fidel Castro said that our effort is aimed at the country's defense and that those who try to destroy sacred things such as independence, sovereignty, revolutionary principles, the political and social system, and Cuba's right to build its future will have to fight us, and we know how to defend ourselves. It will be, Castro emphasized, a very high price which the aggressor will have to pay, and in the end if will not attain its objectives.

According to U.S. polls, Reagan has lost ground, but he is still considered the front runner in the November elections. Reagan must know that Cuba is now stronger, morally and militarily, than it was 4 years ago when he became president.

BOHEMIA, GRANMA REPORT ON UNDERGROUND SHELTERS

PA182136 Havana International Service in Spanish 1800 GMT 17 Aug 84

[Text] In its latest issue, the Cuban magazine BOHEMIA has said that the Cuban people have succeeded in building another whole country underground, in order to guarantee the nation's defense in the face of any surprise enemy attack.

In an extensive report that included several pictures of shelters and fortifications, the magazine explained that, by using leftover materials, the Cubans have managed to create an impressive underground world that will preserve the life of civilians and combatants alike. These defenders will provide a devastating response to any and all aggressive forces that dare step upon the homeland.

BOHEMIA added that the shelters have been designed to withstand the strongest explosions, to cancel the effects of shockwaves, and to preserve the shelter's occupants from the effects of napalm, a weapon often used by imperialists to sow terror.

In addition, the shelters have electric lighting, backup generators, drinking water reserves, and special facilities for children.

Meanwhile, GRANMA also contained a report today on students from the Jose Antonio Echeverria Politechnical Institute, who have joined in the construction of shelters and fortifications. The young students, working with the Armed Forces, helped to preserve several miles of trenches, with the necessary camouflage.

COMMENTARY ON U.S. AID FOR EL SALVADOR

PA171223 Havana International Service in Spanish 2310 GMT 16 Aug 84

["Our America" commentary]

[Text] U.S. President Ronald Reagan is preparing to send more helicopters, trucks, and other military equipment to the Salvadoran regime now that the U.S. Congress has approved another request of $70 million for this purpose. THE NEW YORK TIMES has reported that the expeditious shipment of 10 helicopters for the Salvadoran Army was an urgent reinforcement need, according to White House sources.

Although the $70 million approved by the U.S. Congress is far less than the $117 million requested by Washington, the decision is still seen as an endorsement of the White House's Central American policy.

U.S. Government officials exerted great pressure to get congressional approval for these funds, and to this end they resorted to the pretext of an alleged imminent offensive by the Salvadoran guerrillas and alleged shipments of weapons to the rebels from other countries.

These $70 million in weapons to be delivered to the Salvadoran Army before the current fiscal year ends, on 30 September, will make a total of $196.5 million in weapons that the United States has delivered to the Salvadoran regime this year.

The urgency given to the military aid for the Salvadoran regime shows that the Salvadoran Army has continued to lose ground, despite the fact that it has tripled its number of troops in the past few years and that the United States continues to escalate its intervention in the region. The pretext of an imminent offensive by the Salvadoran guerrillas is only a ruse to avoid admitting publicly that the insurgents have the offensive and military initiative in El Salvador and control large territories. The new weapons and other military equipment sent to the Salvadoran regime are aimed at propping up the worn-out Armed Forces. The hundreds of U.S. advisers, as well as those from other countries, who are currently helping the Salvadoran troops have not been able to effectively counter the attacks by the revolutionary forces led by the FMLN. The course of the war continues to favor the guerrillas and the people, despite the fact that the United States is assuming an increasingly direct role in the internal Salvadoran conflict.

Pentagon sources have confirmed that U.S. planes taking off from military bases in Honduras are conducting reconnaissance flights over Salvadoran territory. These operations are carried out by the U.S. military intelligence 224th Battalion, which has some 250 soldiers in Honduras. With the escalation of U.S. intervention in Central America, conflicts in the region are deteriorating, and thus the U.S. Government is hampering the Contadora Group's efforts to find a negotiated solution to Central American problems. This is the Reagan administration's policy, which can lead the United States to a new Vietnam.

SALVADORAN PRIEST REPORTS DEATH OF 68 CIVILIANS

PA200232 Havana International Service in Spanish 0000 GMT 20 Aug 84

[Text] During a homily held at San Salvador's metropolitan cathedral, Father Ricardo Urioste reported that 68 civilians, including women, the elderly, and children, have been killed by the regime's bomb attacks on several villages in Chalatenango Department from 18-22 July.

The prelate, who offered the mass in the place of Archbishop Arturo Rivera y Damas, demanded that Jose Napoleon Duarte's government thoroughly investigate these facts. Urioste based his charge on information from the Salvadoran archbishopric's legal office which has confirmed the deaths that occurred during the air attacks, as well as the murder of five people by death squads last week.

Meanwhile, the rebel station Radio Venceremos has reported that the Salvadoran Army suffered 288 casualties, including dead and wounded, during clashes that took place in the past few days. In addition, the station charged that the Army has tried to forcefully recruit 2,000 young men in El Salvador's eastern departments.

According to a military report, several members of the 1st Infantry Brigade and the elite Atlacatl Battalion have been sent to the Guazapa and El Paisnal hills on a tracking operation.

OPPOSITION'S ROLE IN NICARAGUAN ELECTIONS VIEWED

PA191905 Havana International Service in Spanish 0000 GMT 19 Aug 84

["Our America" commentary]

[Text] With his most recent statements, Nicaraguan opposition leader Arturo Cruz has confirmed that he is the key element chosen by the United States to hinder the Nicaraguan electoral process and destabilize the Sandinist revolution. Cruz is in the United States, where he has commented on the Nicaraguan elections slated for November. Concerning this issue, Cruz echoed the position held by the White House, insisting on the need for a dialogue between Washington and Managua as the first condition for the eventual suspension of Washington's military and economic aid for the counterrevolutionary bands.

If a dialogue is held and reaches positive conclusions, the United States should immediately suspend all its support for the anti-Sandinist forces, said Cruz, the standard-bearer of the so-called Democratic Coordinating Board [CDN]. This is the major obstacle to successful negotiations between the United States and Nicaragua: For the Sandinist government, the suspension of U.S. financing for the counterrevolutionary groups should be the starting point for talks that really lead to a substantial improvement in bilateral relations. But, like the White House, Cruz wants the Nicaraguan leaders to hold a dialogue with an interlocutor who not only seeks to impose on them his own ideological and political views, but who also reserves for himself the right to continue financing the armed groups directed by the CIA against that Central American country.

Just as the official U.S. spokesmen claim, the CDN representative has said during his current visit to Washington that the conditions for holding just elections in Nicaragua do not exist at present and that for this reason the coalition he heads has not registered its candidates for the presidential elections on 4 November. However, Nicaragua's electoral law establishes minimal requirements and appropriate deadlines for the registration of parties and candidacies. It also establishes rules for proselityzing propaganda and even allots certain funds for each group's campaign.

But Cruz is merely the leader of an anti-Sandinist electoral machine that has been very capably set up by the United States. Alfredo Cesar, leader of a so-called rescue group, has announced in San Jose, Costa Rica, his intention to insist on the registration of Cruz' candidacy despite the fact that the legal deadline expired on 5 August. According to Cesar, Cruz will soon return to Managua to resume his campaign. This announcement coincides with Cruz' announcement in Washington that he plans to promote the postponement of the elections.

If the Sandinists really want us to participate in the election, he says, the date set need not be inflexibly maintained. If necessary, they can postpone the elections a few weeks so that we may campaign, Cruz said.

Cruz' nomination is obviously endorsed by the armed counterrevolutionary organizations, the Nicaraguan Democratic Force and the Democratic Revolutionary Alliance, which recently merged under pressures from the CIA, which threatened to suspend their financing unless they presented a joint front against the revolution.

Alfonso Robelo, spokesman of the armed counterrevolution, recently reiterated in San Jose the two groups' willingness to close ranks around Cruz. He then announced that Cruz will return to Managua shortly to continue what he termed the civilians' struggle. All this fuss by Nicaragua's counterrevolution demonstrates its weakness and its inability to reverse the revolutionary process; thus, its increasingly close alliance with the United States and its betrayal of the Nicaraguan people's interests.

D. ORTEGA COMMENTS ON NICARAGUA-U.S. RELATIONS

Drug Trafficking Accusations

FL171556 Havana Domestic Service in Spanish 1000 GMT 17 Aug 84

[Text] Coordinator of Nicaragua's junta of government Daniel Ortega has said the Yankee's campaign on Nicaragua supposedly participating in drug trafficking, is directed at justifying U.S. aggressions toward his country. Denying that Nicaragua is being used by drug smugglers who shipped drugs from Colombia to the United States, Ortega said this was not the first time the CIA had invented this type of story in order to vilify revolutionary leaders and nations which have succeeded in freeing themselves.

U.S. 'Propaganda Campaign'

PA181850 Havana International Service in Spanish 1600 GMT 17 Aug 84

[Text] Commander Daniel Ortega, coordinator of the Nicaraguan Government junta, has charged that the accusations continually leveled by the United States against that Central American country seek to justify aggressions against the Sandinist revolution. After denying that Nicaragua is being used by drug traffickers who take drugs from Colombia to the United States, Commander Ortega asserted that this is not the first time the CIA has made up such stories to slander revolutionary leaders and those countries that have achieved their liberation. In statements for a Colombian television station, the Sandinist leader stressed that the current propaganda campaign launched by Washington against Nicaragua began prior to the fifth anniversary of the Sandinist revolution. The White House is making believe there are Soviet bases in Nicaragua. Finally, Ortega commented on the revolutionary government's relations with the church. He said that certain problems do exist with certain sectors of the Catholic hierarchy, particularly with Managua Archbishop Miguel Obando y Bravo, because they do not understand the revolution.

U.S. Attack Would Bring War

PA191909 Havana International Service in Spanish 1600 GMT 19 Aug 84

[Text] Commander Daniel Ortega Saavedra has reiterated that U.S. military intervention in Nicaragua would unleash a war in the Central American area. The coordinator of the Nicaraguan Government junta said that the Central American peoples will not tolerate an intervention.

During a tour of the Nicaraguan department of Chontales, Daniel Ortega insisted that a direct U.S. attack would elicit a Central American response even though, he clarified, there is no coordinated plan among the region's revolutionary movements in this regard.

The FSLN presidential candidate stressed that the essential task at this time is to continue preparing the defense in order to persuade the U.S. Government that it will not defeat the Nicaraguan people through military means and in order to guarantee stability in the country.

Discussions With U.S.

FL181431 Havana Domestic Service in Spanish 1000 GMT 18 Aug 84

[Text] Nicaragua has warned that despite talks with the United States, a possible Yankee invasion of that Central American country cannot be ruled out. The coordinator of the junta of the Nicaraguan Government, Daniel Ortega, said Washington has labeled an airport under construction near Managua as mysterious to justify a subsequent aggression against Nicaragua. Dr Sergio Ramirez, a member of the junta of government, hoped that the next round of talks between the United States and Nicaragua will clearly define what real negotiations should be. Ramirez recalled that while his country never rejected bilateral talks, the United States was always reluctant.

NICARAGUA'S CDN WILLING TO ENTER DIALOGUE

PA180446 Havana International Service in Spanish 1800 GMT 16 Aug 84

[Text] The Nicaraguan Democratic Coordinating Board [CDN] has said that it is willing to participate in a national dialogue from which the counterrevolutionary bands are excluded.

Since December the CDN has been demanding that counterrevolutionary leaders enter into a dialogue with the Sandinist government before the November elections. CDN President Luis Rivas Leiva said in a news conference that the CDN has withdrawn that condition for dialogue in view of the fact that the anti-Sandinist bands have refused to participate. The FSLN has always refused to sit down at the negotiating table with representatives of the Nicaraguan counterrevolution which, organized and led by the United States, is attempting to topple that country's popular government. The CDN is composed of the Nicaraguan Social Christian Party, the Social Democratic Party, and the Constitutional Liberal Party, as well as by two small workers unions and the Higher Council of Private Enterprise.

DISSOLUTION OF NICARAGUAN PARTIES POSTPONED

PA191747 Havana International Service in Spanish 0000 GMT 19 Aug 84

[Text] Nicaragua's National Council of Political Parties [CNPP] has postponed until next week the legal dissolution of the Social Christian Party [PSC], the Social Democratic Party, and the Constitutional Liberal Movement. The postponement was agreed to because the PSC representative at the CNPP expressed his organization's desire to participate in the elections.

The final resolution on the loss of these three political organizations' legal institutionality should have been announced on Friday evening since they did not register any candidate within the deadline set by the Nicaraguan authorities.

For his part, CNPP President Hugo Mejia asserted that this organization is not seeking to eliminate the parties, and that in view of the PSC position it is generally expected that the political organizations that have not registered will express their willingness to alter their situation.

Meanwhile, Commander Raul Venerio asserted that the Sandinist Air Force [FAS] and the antiaircraft defense feel encouraged by the construction of the military airport in Punta Huete, near Managua. Venerio, who is chief of the FAS and the antiaircraft defense, has confirmed the military nature of the Carlos Ulloa Airport, currently under construction, stressing that this work is essential to the defense of the Sandinist revolution.

HONDURAN PRESIDENT REQUESTS CABINET'S RESIGNATION

PA170601 Havana International Service in Spanish 0000 GMT 17 Aug 84

[Text] Honduran President Roberto Suazo Cordova has requested the resignation of his entire cabinet and the main leaders of the public administration sector. Reports from Tegucigalpa point out that the president requested that ministers, deputy ministers, and directors of 30 autonomous state institutions resign. According to analysts, this is the first time in the history of the Honduran Republic that this has happened.

Unofficial sources have said that this decision responds to the need to modify the Honduran ministerial team in order to face the country's economic crisis, which is characterized by a high cost of living, progressive devaluation of the national currency, high deficits, and a foreign debt of $2.5 billion.

HONDURAN SOLDIERS REPORTEDLY KILL SPANISH DOCTOR

PA170557 Havana International Service in Spanish 0000 GMT 17 Aug 84

[Text] Spanish daily LA VANGUARDIA has accused Honduran soldiers of murdering a Spanish doctor on 2 June, while she attended Salvadoran refugees in Honduras. According to reports by a Spanish envoy to this Central American country, Dr Helisenda Portabella was injured by soldiers who thought she was a terrorist. She was killed 4 or 5 hours later along with two other Salvadorans who were with her. The newspaper cites the statements of a peasant who witnessed the incident that took place in (El Pollo) on the border between Honduras and El Salvador. The peasant said that other witnesses were told by the Army to say nothing about the incident. In the accusation, the Spanish newspaper states that for 5 days the Honduran authorities did not reveal the death of Dr Portabella, whom the Spanish Embassy in Tegucigalpa said was not a terrorist; they confirmed that she was working in the Salvadoran refugee camps.

INCREASE IN GUATEMALAN REPRESSION ALLEGED

PA181911 Havana International Service in Spanish 1800 GMT 16 Aug 84

[Text] Representatives of more than 160,000 Guatemalan workers have demanded that the regime stop the repression which resulted in 50 murders, kidnappings, and disappearances last week. Leaders of the Federation of Guatemalan Workers charged that approximately 60 union members who were kidnapped have not been found and that the authorities are obstructing efforts to find them. It was also reported that leaders of the Electric Company Union have reported increased repression and mass dismissals because of closings of factories and stores. The [word indistinct] news agency reported that 20 people were killed, 21 kidnapped, and 9 injured last week. The Mutual Support Group [Grupo de Apoyo Mutuo] published a document in the Guatemalan press demanding that 118 arrested/missing people be found alive.

BANANA WORKER KILLED, 4 WOUNDED IN COSTA RICA

PA182130 Havana International Service in Spanish 1800 GMT 16 Aug 84

[Text] Another worker on the Costa Rican banana farms was killed when the civil guard took repressive action against strikers on banana plantations owned by United Brands, the U.S. transnational. Spokesmen for the United Confederation of Workers noted that Luis Rosales was killed and four more banana workers were wounded in the police attack. The workers began their strike on 10 July to make economic and labor demands. Meanwhile, according to labor organizations in San Jose, the leaders who participated in a recent teachers' strike have been taken to court. The National Association of Teachers reported that more than 90 teachers were summoned to render testimony in court on Monday about a 16-30 July strike. Heriberto Rojas, secretary general of the Association of High School Teachers, said that this action marks the beginning of government reprisals against Costa Rican teachers.

CONTADORA GROUP MEETING IN PANAMA REPORTED

PA191753 Havana International Service in Spanish 0000 GMT 19 Aug 84

[Text] The deputy foreign ministers of the Contadora Group countries met this Saturday in Panama City, in the preparatory phase of the technical group's meeting slated for 25-28 August. The deputy foreign ministers of Panama, Mexico, Colombia, and Venezuela are now trying to formally include the observations that have been made in the Document for Peace and Cooperation in Central America.

In Mexico City, Nicaraguan Deputy Foreign Minister Ricardo Valero asserted that no spectacular results can be expected from the Contadora Group's efforts, but he did stress that notable advances have been made, such as the avoidance of a regional conflagration.

CHILEAN OPPOSITION REPORTS INCREASED REPRESSION

PA181932 Havana International Service in Spanish 1800 GMT 16 Aug 84

[Text] The opposition People's Democratic Movement [MDP] has reported a new repressive campaign by the regime, particularly in Valparaiso. In a statement issued in Santiago, this organization stated that many university students were arrested and cruelly tortured in the past few hours. Some of them, it stressed, were released, but the whereabouts of others is unknown. The MDP has charged that the Chilean police are involved in large raids, especially at Los Placeres Hill, where villagers are harassed without advance notice or warrant.

In regard to this, it was reported that Luis Enrique Tamayo was killed in an unwarranted clash with the police, and demands have been made that the circumstances of this murder be investigated so that the guilty are punished. In conclusion, the MDP noted that the regime's repressive actions are aimed at intimidating the opposition forces, who are preparing a new nationwide protest campaign on 4 and 5 September.

BANISHED CHILEAN COMMUNIST LEADER EVICTED

PA181944 Havana International Service in Spanish 1600 GMT 17 Aug 84

[Text] The Chilean Human Rights Commission has charged that communist leader Luis Godoy, who has been banished to (Cotpa), has been evicted from the small hotel where he had been staying by Carabineros. According to a document released by this humanitarian organization, the hotel in question is the only one available there and, in view of the eviction, Godoy will have to seek refuge in one of the few humble houses in the village. Godoy, leader of the Communist Party of Chile, refused exile and was therefore banished by the military regime to this small village more than 2,000 km from Santiago.

PERUVIAN SENATE HEARS REPORT ON OROPESA'S DEATH

PA180113 Havana International Service in Quechua 2200 GMT 16 Aug 84

[Text] There was great surprise in the Peruvian Senate when Interior Minister Luis Percovich reported on the death of peasant leader Jesus Oropesa. The minister reported that the Civil Guard did not kill the peasant leader; he said that terrorists killed him.

Senator Enrique Bernales, secretary General of the Socialist Party, said that the minister's explanation did not make any sense. The minister's declarations also surprised other Peruvian democratic sectors, among them the United Left and the American Popular Revolutionary Alliance, APRA. Senate sources claim that seven soldiers, who are under arrest, are being questioned regarding Oropesa's death. They should be turned over to the civil courts to be tried as murderers.

FERREIRA WITHDRAWS AS URUGUAY PRESIDENTIAL CANDIDATE

PA170549 Havana International Service in Spanish 0000 GMT 17 Aug 84

[Text] Wilson Ferreira Aldunate, leader of the Uruguayan National Party, has withdrawn as a party presidential candidate, the press in Montevideo reported today. Reports add that Ferreira Aldunate made his resignation effective in a letter issued from his prison cell -- a military unit in the interior of the country -- to the head of his party's directorate. Ferreira Aldunate has been under arrest since last 16 June, the day on which he returned to Uruguay after 11 years of exile in Argentina.

THIRD FIGHTER PILOT COURSE BEGINS IN PINAR DEL RIO

FL172050 Havana Domestic Service in Spanish 1809 GMT 17 Aug 84

[Text] The third training course for fighter pilots was inaugurated in Pinar del Rio with a military ceremony in which the cadets pledged to become faithful fighters for the homeland. During the ceremony, an announcement was made concerning the tasks FAR officers, soldiers, and civilian employees will perform at the military school for pilots to guarantee good technical results.

In his closing remarks, Brigade General Vicente Gomez said that the strengthening of the FAR in the face of the imperialist threat is the most immediate undertaking and requires steadily increasing quality. He said the school was confident that the training course would go well and that he was convinced the cadets would obey combat orders with a high degree of responsibility.

NEW PRIME MINISTER DESMOND HOYTE SWORN IN

FL171204 Bonaire Trans World Radio in English 1130 GMT 17 Aug 84

[Text] Hugh Desmond Hoyte has been sworn in as the new prime minister of Guyana in a ceremony in Georgetown. Mr Hoyte is the second highest-ranking Guyanese official after President Forbes Burnham.

He is the former vice president of production. Mr Hoyte succeeds Mr Ptolemy Reid, who resigned because of health reasons.

GOVERNMENT TO 'INTENSIFY' RELATIONS WITH GDR

FL171114 Bridgetown CANA in English 2340 GMT 16 Aug 84

[Text] Georgetown, Guyana, Aug 16, CANA -- Guyana and the German Democratic Republic (East Germany) today signed an agreement on the mutual recognition of studies, certificates, diplomas, and academic degrees, a press release issued here said.

"Concerning the state of their bilateral relations, both sides were agreed that these have been developing satisfactorily in many areas in a spirit of mutual accord and close solidarity," the joint statement said.

"They stated their firm intention to intensify this process for the mutual benefit of the people's of the Cooperative Republic of Guyana and the German Democratic Republic."

The agreement was signed between the GDR Deputy Foreign Minister Bernhard Neugebauer, who ends an official four-day visit to Guyana today, and senior officials of the Guyana Government.

"The talks were held in an atmosphere of friendship and mutual respect and were inspired by the declared intention of both sides to work together not only for the further development of cooperation between the two countries, but also for the preservation of peace and the strengthening of international security," the release said.

The deputy foreign minister, the release said, referred to the activities of his government against nuclear war, and "emphasised the concern of the socialist countries at the situation which has emerged following the deployment of new United States first strike weapons in Western Europe."

Neugebauer held talks with President Forbes Burnham and ministers of the government.

INTER-AMERICAN AFFAIRS

U.S.-NICARAGUAN TALKS CONCLUDE IN MEXICO

PA180432 Managua Radio Sandino in Spanish 1830 GMT 17 Aug 84

[Text] Manzanillo, Mexico -- U.S. criticism of presumed Nicaraguan armament and U.S. demands for free elections were the two main issues that emerged in the dialogue between the two countries which took place in this port town and concluded yesterday. The Mexican Foreign Secretariat has reported on the conclusion of the talks between Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco, and Harry Shlaudeman, President Ronald Reagan's special envoy for Central American affairs.

CHILE, VENEZUELA, CUBA SUBMIT UN DRAFT ON FALKLANDS

PY171851 Santiago Domestic Service in Spanish 1730 GMT 17 Aug 84

[Text] Chile, Cuba, and Venezuela have submitted a draft resolution to the UN Decolonization Commission supporting the Argentine stance regarding its dispute with Great Britain over the South Atlantic archipelago. The draft resolution, which will be analyzed next week, states that a peaceful solution to the conflict over sovereignty is the only path to overcome the special and particular colonial status of the Malvinas. The document also notes these countries' great satisfaction over the fact that Argentina has maintained its determination to comply with the UN Assembly resolutions on this dispute.

DOMINICAN REPUBLIC

EXECUTIVE REPORTEDLY SUPPORTS TAVAREZ ARACHE

PA172123 Paris AFP in Spanish 2010 GMT 17 Aug 84

[Excerpts] Santo Domingo, 17 Aug (AFP) -- The serious political crisis that arose Thursday when the Senate elected two presidents, took a new turn today when the executive branch seemed to side with one of them. Haturey de Camps, administrative secretary of state to the presidency, told newsmen this morning that President Salvador Jorge Blanco has decided to assign an escort, headed by one of his military aides, to Senator Tavarez Arache. Tavarez Arache was unanimously elected president of Senate last night during a session convoked by 6 senators of the ruling social democratic Dominican Revolutionary Party (PRD) who follow the chief of states's domestic line and 10 senators of the opposition Conservative Reformist Party (PR).

The 16 senators had challenged the proclamation of former Senate President Jacobo Majluta of the PRD, after the first vote in which the ticket presented by another PRD sector. The Reformist senators abstained.

Hatuey de Camps said this morning that the government regards Tavarez Arache's election "good and valid."

At noon Tavarez Arache tried to enter the Senate building, but the doors were locked. The Congress building is surrounded by police forces. At a press conference held in the Congress parking lot Tavarez Arache upheld the legitimacy of his election. He said that Monday he will enter the Senate building "one way or another" to carry out his duties.